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Management RECORD

June 1961 • Vol. XXIII • No. 6

- Motivating and Appraising Scientists
- Handling Employee Parking Problems
- Organizing the Public Relations Staff
- Unions Launch New Organizing Drives

NATIONAL INDUSTRIAL CONFERENCE BOARD, INC.

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Management Record

June, 1961 Vol. XXIII, No. 6

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• In the Record •

Handling Employee Parking Problems

"Once upon a time the American met the automobile nd fell in love. Unfortunately this led to matrimony and o he did not live happily ever after," says a contemporary vit. While this writer may have a tendency to exaggerate he marital difficulties, the union of the American and the notor car has unquestionably produced its share of trouble —one of the most vexing problems being where to park he ever-growing number of vehicles. And since nearly ıalf of all industrial workers now drive to work, the probem is also of vital concern to American business.

Many employers have attempted to meet the problem y providing on-the-job parking facilities for their emloyees' cars. When a company decides to undertake this esponsibility, it has to find answers to a number of quesions: How much space is needed for a parking area? How an this space be secured? What is the most advantageous arking lot layout? What is the best method of grading nd surfacing the parking area? What kind of parking rules hould the company set up? Which employees should be iven reserved spaces? and How should parking violations e handled? The article beginning on page 16 reviews the xperience of a variety of firms in handling these questions.

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Organizing the Corporate Public Relations Staff

According to one survey, United States companies spent n estimated $2 billion on public relations in 1960 and lan to spend about six billions by 1969. Few would deny hat the "opinion business" is one of the fastest growing n the country. The popularity, and to some the indisensability, of PR has led many firms to establish public elations departments. These departments, many on the orporate level, have in some cases displaced the specialzed public relations firm, which is then used primarily for pecial projects.

What are the duties and the organizational status of hese corporate public relations departments? Based on an nalysis of sixty-four manufacturing companies the article hat starts on page 11 examines twelve categories of duties ischarged by PR units and discusses the varying scope of ublic relations activities when the unit reports directly to the chief executive and when it reports to either a functional specialist or is grouped with another functional specialty.

A supplement to the article containing the position guides of two public relations departments appears on page 29.

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Motivating and Appraising Scientific Personnel

What is a "creative climate" and how can it be produced?

As the nation becomes more dependent upon scientific research, so the need becomes more urgent for management to come to a new understanding of the creative process and how it may be stimulated. Certainly the person engaged in creative work cannot be regarded as a machine producing results solely in response to a money stimulus. His creativity cannot be bought. He needs to feel that the work he is doing is important. He needs to be supervised not merely by a professional manager, but by a sympathetic scientist who also understands managerial principles.

How companies can help him to do his best was examined in a recent Conference Board survey of 140 top executives. The story on the next page analyzes the findings.

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Rest of the Record

This month's Wage and Fringe Developments in Bargaining carries a report of a unique contract settlement in the rubber industry. For the first time rubber companies have won the right to negotiate separate rates for tire and nontire workers. For a full analysis of the provisions of the new contract, see page 36.

Among the subjects covered in this month's Briefs on Personnel Practices are a company-sponsored music scholarship, international comparisons of fringe benefits, and time off for political participation. See page 32.

How unions are moving to answer the AFL-CIO's call for a stepped-up organizing drive is discussed in Labor Press Highlights on page 34.

Motivating and Appraising Scientific Personnel

The problem of reconciling industry's need for tangible results and the scientist's desire for freedom to experiment is analyzed by 140 top executives

THE CREATIVE scientist," writes one of them, "tends to be a nuisance—or worse—in any smooth-running organization. These people want change just to be different. They question even the most obvious actions and take deep delight in finding discrepancies. If they could only learn that such things as company policy might just as well be accepted on faith, life would be much easier." Why, then, continues William B. McLean, creator of the Sidewinder missile, "should an administrator ever bother to hire one of these hard-to-manage people?"[1]

The answer, of course, is that this country is in the midst of a research revolution, and the services of these people are a must for many companies.[2] For instance, it was recently reported in the press that in only thirty months from now, 14 cents of every $1 the consumer spends for products manufactured by United States companies will be for things not being made today. And by 1964 it is estimated that in some industries 29 cents of this same dollar will be spent on new products. The "smart" money has it that this trend will accelerate in the years ahead rather than slow down. Indeed, one economist suggests that it is through a continuing program of research and development that the United States can double its growth rate and absorb the unemployed as well as the new workers coming into the labor force.

But even if one takes a more modest view of this research revolution, there is no question about the new importance that management is attaching to its scientific people. What, executives are asking, makes these odd balls tick, anyway? As one company president puts it, "Many fine scientists do not seem to respond to the stimuli generally believed to be effective with other kinds of personnel. The saying goes that money always talks, and it is also axiomatic that fear stimulates many people. But it has been my observation that neither of these is a sure thing for stimulating researchers."

To get some picture of what companies are doing, c possibly *not* doing, to stimulate their scientific peopl to create and produce, THE CONFERENCE BOAR queried and received answers from some 140 top executives in various size companies in various industries They were asked:

► In your opinion what is the best way to increase th output of scientific personnel or maintain it at hig levels?

► What means do you use to measure the productivit of your engineers and scientists or to judge their individual performance?

These men told THE CONFERENCE BOARD what thei companies are doing and gave their opinions and thei observations concerning the scientific people on thei payrolls.

THE PROBLEM OF MOTIVATION

Returning to the Sidewinder missile physicist, he ha this to say on the subject of motivation:

> "The factors which help a creative scientist produce ar hard to define because they seem to reduce so quickly t the statement he makes so often, 'just leave me alone However, he will produce best if he feels he has an important job, that he has a chance for major gain (preferabl unexpected), and if he has the proper tools to do the job."

Many of the top executives cooperating in this surve would probably pretty much go along with scientist McLean's statement—even to some extent with the "jus leave me alone" part. In fact, a large number of thes men made similar suggestions. Taken over-all, thei statements on how to improve the productivity of scientific personnel cover the following points:

- Provide the proper climate for research
- Top management support of research efforts
- Better communications
- Involve scientists in corporate goals
- Top-flight research management

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[1] See "Management and the Creative Scientist," by William B. McLean, *California Management Review*, Fall, 1960, p. 9.

[2] See "The Research Revolution," by Leonard S. Silk, McGraw-Hill Book Company, N.Y., N.Y., 1960.

[1] McLean, *op. cit.* p. 10.

- Not too close supervision
- Interesting and stimulating projects to work on
- Encourage scientist-employees in their professional role
- Adequate facilities and services
- Fair and equitable compensation

Climate, as one might expect, heads the list. Natural-y, everyone is in favor of having the right climate or tmosphere to foster scientific and productive work. But, as one of the presidents notes: "It's all very well o say we must have the right climate. But what does hat tell us? What we really need to know is how do we et it? What factors produce it? All too little is said on hat score."

Taking a cue from this statement, the following sec-ion will not attempt to talk about climate in the ab-tract, but rather will discuss the specific factors that the ooperating executives believe are important in creating hat felicitous climate which is every company's goal.

No doubt many readers will recognize that most of he factors that the executives list as "motivators" for heir scientific and technical people are part of the basic hilosophy of personnel administration—a philosophy hat has been put forward by its proponents as a means f motivating all employees to increased levels of pro-luctivity.

he Role of Top Management

The scientist who works in American industry, it has een reported in depth, is subject to two different kinds f authority, even to two different concepts of organiza-ion.[1] There is, of course, executive authority based on eing in a certain position in an organization: "I can ell you what to do because I'm your boss." There is lso a very different authority operating with the scien-ist: colleague authority. This is not based on position r status in the hierarchical organization but has to do vith competency in one's work. The researcher listens o and respects the suggestions of another scientist ecause he is able and talented; and the individual's tanding with his fellow scientists is very important to im. Such authority, writes Marcson, "emphasizes a re-ationship of association, alliance, and working together, vhile at the same time accepting whatever inequality in tatus that may be present."

But this does not mean that research people, even hough they tend to be work oriented rather than organ-zation oriented, are unaware of the fact of executive uthority, nor are they unconcerned with their position in the organization in terms of status, how they are regarded, and what top management's attitude is toward the work they do. For example, in a laboratory where the research people had rather low status, one of them reports that he has a vague feeling that his relations to the organization should be different. "Recognition," he says, "is absent . . . Recognition is necessary. . . I am not sure what kind."[1]

This suggests the importance of top management's attitude toward its scientific people. And a sizable number of the cooperating executives comment on this. Such phrases as "encouragement is needed from top management," "assure staff of continued support of top management," "management must show appreciation and recognition of the importance of these people's contribution to the company's progress," and "make these people feel wanted," appear in many of their statements.

One president considers it the most important factor in motivating scientists. He says: "I believe that the most effective stimulant to the technical staff is a sincere interest in their work on the part of company management. If top executives take the time to know what the research staff is doing and express this interest frequently, the individual scientist will feel that he is an important part of the enterprise and will want to measure up to what is expected of him."

Others also rate top management support very high as a motivator. For instance, an executive in a rubber company writes: "The knowledge that his own research management and corporate management think the work he does is important to the company, and that corporate management will actively take an interest in exploiting the scientific and engineering information he makes available are essential to high morale and high productivity."

The director of research in a petroleum company says: "Most scientists will respond with their best effort

Where the Data Come From

The information this article is based on comes from the Board's Monthly Survey of Business Opinion and Experience from the Division of Business Practices. The results of the survey, reported in a different form and including information on research budgets and the control of research expenditures as well as three appraisal forms, appear in an article, "Getting Maximum Return from Research Expenditures," in the April *Business Record,* page 19.

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[1] See "The Scientist in American Industry," by Simon Marc-on, Industrial Relations Section, Princeton University, Prince-on, New Jersey, 1960.

[1] *Ibid.* p. 125.

Is the Scientist Really Different?

"What we have mainly been concerned with in motivating, at least up to now," suggests one of the cooperating executives, "is productivity, not creativity. Naturally," this man notes, "we're more at home with productivity; it's easier to measure; it's easier to control; and it's certainly easier to understand. Many of the tried and true methods of motivating and appraising will at least get by if productive work is all a company is after. But if it's creativity we want, we have to recognize we've hardly broken the ground yet."

Many scientists would probably concur. Physicist William B. McLean has suggested that one of the reasons this country has fallen behind in the scientific race is because as a nation we have pushed the productive at the expense of the creative; that some of the basic concepts of good management actually stifle creative people. For instance, he says that the dictum "Coordinate work carefully to avoid duplication" actually can become "Everything new can be made to look like something we have done before, or are now doing." Another example: "Keep the check reins tight; define missions clearly; follow regulations" may translate into "Nothing very new will ever get a chance to be inserted."[1]

In other words, suggests Dr. McLean, a stable, well-run organization may have little place for the innovator, the nonconformist who causes a lot of headaches in the process of creating.

Does this mean he should be dispensed with? The answer has already been suggested; in many companies these people are indispensable. The facts of our society dictate that somehow they and the organization have got to learn to live together.

Mulling over some of these problems, the personnel director of a large company recently remarked: "What we've done in the past isn't good enough any more. Many of our practices are actually geared to the lowest-level workers on the payroll. As a start, we have got to think a lot more about our professional and scientific people. What can management do to make them more creative? Maybe it comes down to the fact that we have got to be more experimental, more open to new ideas, new possibilities. For instance, one large company recently announced a plan that allows its research people a one-year leave for advanced study wherever they choose—and they collect their regular salary.

"But," this executive continued, "over the long run, it's just possible we may learn that the scientist is not so different; that the same things which make our professional, high-talent people more creative also are going to be effective in motivating everyone else; that all employees can at least be more productive—if not creative. In other words, the scientist may just be in a position where management is forced to pay more attention to his feelings, his likes and dislikes. Because only in this way can we provide the climate for him to be more creative. And only when he's really creative can the company get its money's worth out of his services."

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[1] McLean, *op. cit.*, p. 10.

if they are given a feeling of participation in decisions concerning their research projects, and if management shows continuing and real interest in the progress of their work. To applied research and development personnel it is always a stimulus to current project enthusiasm to see a recently completed project carried forward by management to the commercial stage. Recognition by others of the value of his contribution is as stimulating to a scientist as it is to any human being."

Need for Communication

Obviously, another way that management can show real interest in and support of these people is by seeing that there is adequate communication—both from the scientific group *up* and from the corporate level *down*.

An example of what may happen when communication is lacking is pointed out by an executive in an electrical equipment company:

> "Scientific personnel are well-educated people. But ofte a man will be given a very small project, and will not b told what it relates to. He will know nothing about it excep the specific part he is to work on. When he finishes, he sti does not know what he has contributed to. Such men ofte resent this. They are not made to feel that they reall belong to the organization, or that anyone thinks enoug of them to even ask questions. Such a development tend to take away a lot of an intelligent man's interest in hi work."

Making this same point, but from the positive angl many of the cooperating executives stress the impo tance of having open lines of communication with thei scientific people—especially to let them know how thei work fits into the company's over-all plans. "For ce tainly," notes one of them, "we can hardly expect t get them involved in company goals if we neglect to l them know what our goals are."

Another cooperator writes: "We must keep the people well informed of company plans and policies. It is important to show engineering people how their work fits into the over-all company goals and why it is necessary that they meet certain time and cost objectives. We stress the importance of the engineers' contribution, which is necessary in carrying out programs on schedule for other divisions of the company."

A research coordinator in a rubber company says that "clear recognition of the possible economic potential to the company of the scientist's assignment is very important. Usually he cannot do this himself; the essential facts and opinions must be provided."

Several cooperators stress the importance of communication between departments. One says: "We must have good feedback of information from marketing and the new products department on the progress achieved with the materials developed by the scientists." Another writes: "Researchers must work closely with and recognize the needs of the production and sales departments." The president of a paper company says: "The scientist must have the available background on any problem and the way it fits into the over-all company objectives. Adequate communication and follow-up of the research man's findings are important to his sense of contribution to the company's progress."

As a final example of the importance of communication, the head of a research and development division says:

> "We asked our scientists the best way to increase output, and they answered, 'please improve communications among ourselves, and between us and production, sales, etc.' This we've done by instituting conferences at the top-scientist level. Some of us who think conferences are time killers expected to discontinue these meetings soon for lack of an agenda. But that has not happened. We have been pleased to find these conferences very valuable."

The Research Manager's Role

Top-flight research management is one of the factors most often mentioned by the cooperating executives as important in increasing or maintaining the productivity of scientific personnel. What exactly these cooperators mean by "top-flight" is not spelled out in detail, but their statements suggest that they want a research manager who is both a competent scientist and a good administrator. Several add that it is extremely difficult to find such a person; yet the scientist-administrator is seen as the key in many companies to high morale and high productivity in the research group.

Here are the comments of three company presidents:

> "I believe the best way to increase the productivity of these people is through supervision by a good administrator who can talk the language of the scientist. The creative urge in a good scientist is probably the single strongest motivating factor that can be used, and it is my observation that this factor generally blossoms under another sympathetic but demanding scientist."
>
> * * *
>
> "Our experience indicates that when the head of research is a good administrator as well as a good technician the productivity of scientists is highest. However, we have found that technical men who have administrative ability are few and far between; and the technical director who is a good administrator and also understands the problems of sales and production is very rare indeed."
>
> * * *
>
> "Increasing the output of scientific personnel or maintaining it at high levels is, of course, the essence of the research management assignment. We rely on a first-rate job of research management and feel that any elaborate or formal plan is not called for in a relatively small group such as ours."

What Kind of Supervision?

The reader may recall that a work requirement cited by the Sidewinder missile scientist early in this article was, "Just leave me alone." While most of the cooperating executives are not likely to go all the way with that statement, a large majority do say that close supervision is too confining; scientists need some elbow room to follow their own hunches or bents. As one president puts it: "Give them guidance but don't pester them."

Another says: "Give general but not detailed guidance in the directions the research should take; then let these people know the reasons for the direction of research in terms of over-all company plans; and encourage emphasis upon research rather than upon administrative paper work."

A director of research and engineering writes: "We expect our research engineers to be fairly free wheeling and uninhibited in their approach to problems, and also to see them through to a reasonable solution. This puts a premium on the creative, individualistic person, with considerable self-motivation. We have a few of these people, and are continually looking for more (as is everyone else). Supervision must, of course, be such as not to stifle this priceless attribute."

Another head of research points out: "A man must have a little freedom to go ahead, without necessarily grasping the immediate solution to a problem. However, we do believe that some pressure should be applied, after about a year, in true research work. In fact we find the men believe this is necessary too, or they get the feeling that we really don't want what they are working on. Obviously, these are individual relationships, and every case is different. Another thing I think is important is to have very few layers of supervision of the technical people, thus throwing on each man the responsibility for being a 'whole' man from an industrial research standpoint. In our laboratory we have 160 people supervised by four men, who, in turn, report to me, with little or no intermediate supervision between them and the leader of each project."

The emphasis on very *general* supervision is not unanimous. There is a minority group of companies that stresses the need for *close* supervision. In fact, one cooperator says that *because* his scientific people are creative, the supervision must be close to keep them from "straying afield." In some instances, the executive has made clear that the work is not basic research but is developmental in nature, and so tends to be more cut and dried and less free wheeling. A director of engineering and development, for example, writes: "Close supervision and keeping a project in motion is the only way we have found to increase the output of scientific personnel or maintain it at high levels. But, in effect, very little if any research work is being done here; our work is all developmental, applying knowledge to a specific product or process."

The Work Itself

A difficult "balancing" problem that relates both to close vs. general supervision and to the work itself is noted by one of the executives. On the one hand, he says, the company wants the scientist to work on those problems and/or projects that are likely to pay off in profits—sometimes over a relatively short term. On the other hand, these people should not be regimented to the point where their freedom is greatly impaired; they should work on problems they're really interested in. Difficult as this balancing is, he continues, "we believe its solution is essential to building and maintaining high morale and productivity in this general area."

The importance of having the scientist—or any creative person—work on a problem in which he is genuinely interested hardly needs documenting, and many of the executives stress this point:

> "Give the scientists the opportunity for self-expression in the areas of basic and exploratory research."
>
> "We have established a free time principle."
>
> "We endeavor to have the individual concerned work on a project or problem in which he is personally interested."

On the other hand, some statements suggest a certain uneasiness in this area; the scientist or engineer may need to be pulled back to more immediate problems that concern the company. One executive writes: "While there is still latitude for creative effort, there is no room in industry for *completely* uninhibited research. Un versities are the right place for the latter."

Others phrase their reservations in these terms:

> "We give the scientist the freedom and resources h needs, limited by the circumstances of the environmen which he has voluntarily found attractive and acceptabl by coming to work."
>
> "One prerequisite for maintaining high output and moral in the engineering department is to avoid stifling initiative Engineers must feel free to express themselves and see th results of their efforts within certain broad perimeter established by the engineering management."

For the most part executives in the survey seem t concur with the above sentiments. They believe it is t the company's advantage to have their scientists and engineers work on projects in which they are personally interested; that stimulating, challenging work will in crease productivity. But the work necessarily must be within the confines of the particular company's plans and goals.

To further their scientist-employees' work interest, a number of company executives mention the importance of encouraging these people in their professional role— that is, by attending meetings, preparing papers, and, in general, keeping up with the scientific world and what their fellow scientists are doing. One of the more elaborate programs is described by a cooperator:

> "We have a tuition-refund program for college and graduate-level training, and a substantial number of our people take part in it. Encouragement is given to individuals to participate in national scientific and professional organizations, involving meeting attendance, presentation of papers, and active work in professional organization committees. Efforts are also made to provide contacts with the scientific community other than those deriving from direct business interests. Inexperienced professional people take part in a program for their personal on-the-job development. This program principally involves working out a planned sequence of job assignments with them—selected specifically to fit the individual's own interest as well as the company's needs."

Facilities and Services

To give a man the tools he needs to do his job would seem elementary. And when this man is a hard-to-get, much-sought-after scientist it only makes sense to see that the services which less skilled and less expensive personnel can provide are made available to him, thus freeing him to devote all his time to his own work. This is a factor that a number of the cooperating executives frequently mention as important in increasing scientific productivity.

A vice-president and research coordinator says: "It s most important to eliminate delays and barriers to the rogress of the experimental program such as occur rom a lack of suitable facilities, equipment, and servces." A pharmaceutical executive notes: "As the indiidual develops, we assign technicians to work with him, nd thus use to the optimum his scientific ability." Anther company states: "It is most important to provide dequate analytical services, secretarial services, library nd other information-seeking services so the scientists' ime is used most effectively."

And the head of research in an oil company says: "We try to staff so that we never have less than one ssistant for each scientist. I think the average is about ne and a half, since several of them have two or three ssistants. In addition to this, they have call on the ervices of at least another person in the service groups, n a numerical basis.

"In addition," he continues, "I think it is extremely mportant to provide modern equipment. For example, ve have among the men themselves some thirty gas hromatographs, rather than having one setup with two r three trying to do all the work. In our service groups ve try to carry the latest instruments for analyses and alculations. Our computer is open, and everyone here nows how to run it. Thus, they solve all of their probems that way. It is a tremendous saving in time and voidance of the red tape of going through a central omputer group."

A few of the cooperators note that there is some lifficulty in getting their scientific people to use the ervices available. A president writes, "In our judgment, he best way to increase output of scientific personnel is o provide technical help wherever possible to supplenent the efforts of the engineering department. We have ound, however," says this chief executive, "that our ngineers are not too inclined to work with technicians, n many cases preferring to do the manual part of their ob themselves."

Another company says, "It is quite a problem preenting scientific people from involving themselves in outine or administrative matters better handled by lerical or less expensive talent."

What About Money?

Although not all cooperating executives mention ompensation, those that do seem to take it for granted hat "of course, adequate compensation is necessary." But the point these men seem concerned about is the imitation of "just money" as a motivator. One president omments: "Naturally, you've got to pay enough to get nd keep good people, but productivity and quality will not increase a great deal simply because compensation becomes exceedingly high."

A few executives mention the importance of keeping promotion channels open, both within research and into other functions such as marketing and manufacturing. More are concerned with keeping their skilled scientists doing the thing they were trained to do. Because, in the past, salary increases over a certain level were only possible if the research man was moved to an administrative job, several companies say they have set up separate technical ladders of advancement for scientific people.

The president of an oil company writes: "We provide separate title and compensation advancement, equivalent to administrative advancement, for those successful research workers whose interest is primarily in research rather than management."

In another company an executive states that "a dual ladder of advancement, which allows the outstanding scientist who desires to remain at the bench to obtain the salary and privileges that he might acquire as an administrator can increase scientific productivity."

"We pay them a highly satisfactory salary," says the president of a hardware company. "And on top of adequate salary," he continues, "we have every benefit in the book, besides a 10% annual bonus, the latter nothing more than an incentive to contribute their best. Generally speaking, men like to work for us; they know they can build up quite a pension annuity by sixty-five; and they can even work to seventy-five or eighty if they are able."

"An intelligently administered secret bonus system is a must, in order to build up productivity," according to the head of research in an oil company. "Even though the recipient remains secret each year, a great many people around the laboratory have had these bonuses and realize that their efforts will be rewarded by unusually large bonuses if they succeed."

Other companies mention monetary rewards for inventions or patents. One says: "We have an incentive plan for patents. When a patent is applied for, those who will be named on the patent are given a small monetary consideration and, if the patent is finally granted, they are given a somewhat larger award. Even though the amounts that we pay are not very high, we have found that it has stimulated our people to think in terms of patentable ideas."

From the replies of all the cooperating executives, it seems apparent that the factors discussed—top management support, good communication, general rather than close supervision, adequate compensation, etc.—contribute greatly to the motivation of research personnel in an industrial setting. It is also apparent that it takes a combination of these factors—not just one or two, but possibly all—to create a climate that will stimulate these people to produce at the upper levels of their abilities. This approach is summarized by one of the responding executives:

> "The increase in output of scientific personnel, or its maintenance at high levels, depends on the effective use of a considerable number of management tools, all of which have been loosely grouped too frequently in the literature under the heading of establishing a proper atmosphere. Briefly, they consist of the following:
>
> "a. Provide the scientist with the proper tools, in the way of equipment and supporting services, to do an effective job.
>
> "b. Provide research personnel with the opportunity to participate in the *formulation of the research program.* In particular, provide them with a clear statement of over-all corporate objectives and a set of technical objectives which are consistent with the corporate goals.
>
> "c. Encourage the *submission of ideas by all levels of the technical organization.* Be sure that all such ideas are promptly reviewed and evaluated and logical reasons for their acceptance or rejection provided to the individual who submits them.
>
> "d. In an industrial organization it is important that research *objectives be clearly related to profits in the mind of the researcher.* He must be provided with market evaluation assistance which assures him that his efforts have worthwhile financial potential.
>
> "e. While it is important that the research efforts of individuals in an industrial organization always be governed by sound financial objectives, it is also important that some portion of each man's time and of the budget allocated to him are available for him to *freely explore ideas of his own choice.*
>
> "f. *Formal report requirements should be kept to a minimum.* Informal reports, either written or oral, should be encouraged and given as widespread dissemination as possible to provide the individual recognition and to speed up communication.
>
> "g. Require scientists to do *more formal planning and scheduling of what they intend to do before they start work.* Lack of this is probably the single most significant detriment to productivity in the research field. It is essential that the individual clearly understands that such plans and schedules are not rigid restrictions, but tools for increasing his own effectiveness."

MEASURING PERFORMANCE

The objective of motivating through creating a better climate is, of course, improved performance and better results. This raises the question of appraisal or measuring results. Obviously, when one is measuring something like the number of bottles capped per hour or th number of pages typed per day it is relatively simpl But when one moves to more complex jobs, when th intangibles become the most important factors in pe formance, the difficulties in appraisal multiply at a alarming rate. And when it comes to research, especia ly basic research, the problems encountered are suc that it is quite understandable why one of the coop erators should state: "How to appraise these peop sounds like the $64,000 question. We have no mean of measuring the productivity of our engineers an scientists, nor can we judge their individual perform ance. But we'd certainly like to know how others do th job."

In fact, the overwhelming majority of the companie in this survey do attempt "to do the job"—on a forma or informal basis—despite the difficulties.

For instance, the director of research in an oil com pany sums it up with: "Within our knowledge there i no exact yardstick or formula for measuring the indi vidual productivity or performance of a research scien tist or engineer, such as can be developed for clerica workers, production-line workers, piece workers, etc In the scientific field we judge the relative quality of th individual's product, as exemplified by the relative de gree of ingenuity or creativity and the grasp of his discipline that he demonstrates in his approach to the problems assigned, as well as the relative scientific stature he achieves among his fellow scientists, both within and outside the organization."

Key Role of the Supervisor

In all appraisal programs, the role of the immediate supervisor is key; with research people it is no different; and a number of the cooperators note the importance of having a competent scientist appraise the work of subordinates. An executive in a large chemical company says: "We believe that an individual's performance in research can best be determined by his immediate superior who has already proven his ability to do good research over a period of years." Another company says, "Reliance on the judgment of experienced research people appears the best course for measuring the productivity of our scientific personnel."

A machinery manufacturer says: "We rely entirely on the judgment of the immediate supervisor." And many more such statements could be quoted, although, not surprisingly, reliance on the supervisor alone tends to be more often the case in the smaller cooperating companies than in the larger ones.

Some of the cooperators say they use a group appraisal system. A large manufacturer reports: "Merit nd productivity are judged by the quality of scientific apers and the thoroughness of results, positive or egative, in project work. The project leader, group eader, supervisor, and director are the judges."

Other companies report that the immediate superisor and the head of research do a joint appraisal.

A sizable minority of the executives note that close upervision makes an accurate appraisal possible. One ays: "Individual productivity is measured by contact nd close supervision." Another states: "We measure he productivity by day-to-day personal work with them, nderstanding what they are faced with, and how diliently and effectively they get results when weighed gainst the difficulty of the problem."

The coordinator of research and development in a arge rubber company states that "our operation is so rranged that not over six senior chemists work under a iven group leader, and daily contact with the work of he personnel involved is so intimate that it is relatively asy to determine the relative productivity of the peronnel involved. The organization of our development ection is similarly arranged so that relatively few peole report to an individual supervisor."

It will be recalled that the majority of executives in he survey feel that "not too close" supervision is a neans of motivating scientific personnel to increased roductivity. But in appraising performance, a sizable umber see it as necessary. Judging from the comments, he type of supervision chosen in many cases depends n the kind of research being done. If it is primarily levelopmental, more cooperators mention that close upervision allows for a more accurate appraisal. If it s basic research, however, something quite different nay be indicated. The following statement of a cooprator makes this point: "Usually, the more basic the vork, the greater difficulty one has in evaluation."

he Problem of Time

Obviously, no simple timetable for results can be set p in basic research. Results that can be translated into roducts or profits may take years. And this may nean, as the president of one company notes, that "the commercially minded executive frequently finds is patience sorely taxed during this waiting period. Yet it is not uncommon that seemingly unproductive esearchers come up with valuable inventions after ong periods of fruitless effort." Here again, the imporance of the supervisor who is himself scientifically rained is obvious; he is in a far better position to valuate a fellow scientist than is a management person vho may be closely tied to this year's profit-and-loss tatement.

Avoiding the short-time range, the vice-president of a large construction materials company says: "We have not developed short-term measures of productivity for engineers and scientists, nor do we believe it would be wise to do so. Rather, productivity is measured over a period of from one to three years; then we feel we can put substantial reliance on the results of actual assignments and projects completed."

The manager in a petroleum company describes a rather elaborate program of evaluation that has both long- and short-term rating features. This executive writes as follows:

> "The productivity of our technical people is arrived at in several ways. One of the most important is a yearly review in which the technical man has an opportunity to present a talk on his work to the entire laboratory personnel. Later, there are discussions, in a small group, of all the rest of the things he did during the year. These are followed by further discussions between the manager, supervisor, and project leader on the performance of his job. Frequently used as a guide for these discussions is a loose-leaf book in which is kept all written materials relating to the individual researcher. The material is carried there on a three-year basis, and from it, patterns of accomplishment are readily estimated and easily discussed."

This company has also set up standards of performance for its technical personnel in consultation with them as a group. Performance is rated against these standards over a three-year period. A special staff assistant has been assigned the job of pulling together factual information to support the conclusions about performance. This staff person (a woman) works closely with the researcher in developing the appraisal so that, when finished, it represents an agreed-on job performance appraisal.

On the other hand, the head of research in a large company says he carefully avoids quantitative counting. "The productivity, or more importantly the creativity, of scientists is measured mainly through informal reviews of their work with senior scientists. They appear as speakers at colloquia, write short memo reports, formal laboratory reports, technical digests, articles for scientific journals, and patent disclosure letters. Some of the best scientists are writers and some are not. But always it is the basic work they do that is important in whatever way it is manifest."

Emphasis on Results

But not all companies are concerned with basic research. The great majority, in fact, are not. And in this case a "results" approach may work well in evaluating the performance of individual scientists or engineers.

Some cooperators simply say something like the following:

"The productivity of our engineers is determined by the results obtained." Or, "The productivity of our engineers and scientists is measured by the success of their scientific and engineering projects. At least once a year, an individual's performance is evaluated by appraising his contribution to the success of these various projects."

A number of these companies use progress reports on projects to measure scientific productivity. Sometimes such project reports are used in conjunction with an individual appraisal; sometimes they are the only measure of performance. One firm notes: "We do not at the present time have a measure of the productivity of individual engineers or scientists. We are fundamentally measuring the progress of the project, not the individual." Another writes: "Until recently we have measured the productivity and personal rating of our engineers on a wholly informal basis resulting from conversations between the general officers associated with the research and engineering program. We expect that the recently instituted 'project progress reports' will be helpful in the future in this connection, though the form was not designed for that specific purpose."

The president of an oil company, who also emphasizes the difficulty of appraisal in the field of research, nevertheless goes on to note certain concrete appraisals measures, which, he adds, are also subject to criticism. "One method," he reports, "is the number of invention disclosures submitted by scientists or engineers. Also used is the number of reports written, the number of publications, the number of suggestions received, and so forth. Frequent project conferences provide a means of evaluation. At least once a year, research personnel are evaluated by their immediate supervisor. These evaluations are used primarily for improvement of performance rather than for salary determination."

A large manufacturer says no special evaluation is made of engineers and scientists. Rather, performance of these people is appraised "under our corporate-wide 'results-expected' program." A number of other companies also note that they use the same procedures in rating scientific people as they use for other employees at comparable levels.

The Use of Forms

A sizable number of the companies use printed forms to assist in making appraisals. As indicated above, in some instances, these forms are the same as the ones used for all salaried people. On the other hand, some firms have found specially designed forms helpful.

Summing up the attitude of a number of the cooperators toward the use of forms is the statement of an executive in a small manufacturing company who writes "Our engineers are reviewed by engineering supervisors and management. From time to time we have used two or three different types of personnel rating forms in an attempt to more accurately evaluate the individual None of these have been entirely satisfactory in our opinion, but they have been of some help in enabling the supervisor to reach certain conclusions."

As a final statement on appraisals, the head of research in a petroleum company reviews the experience of his firm:

> "Over the past ten years several different means have been employed to measure the productivity of our research personnel. None of these have proved completely satisfactory. On occasion we employed the 'critical incident technique. On other occasions we have used a form of rating sheet. Again, in conformity with the general company plan, we have employed an appraising and counseling technique which involves a team of supervisors evaluating the performances of individuals. Our present conclusion is that each general supervisor does his best job on judging performance when he utilizes the technique which appeals to him. Thus in six separate divisions of the research organization one may find six separate techniques employed. Although this procedure makes it difficult to compare people as between divisions, we do feel that the flexibility and latitude permitted helps set the pattern of relative freedom of action, which is essential for most productive research."

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Management Bookshelf

Administrative Control and Executive Action—Designed primarily as a text, this book is a volume of collected readings on the theory and practice of administrative control. The authors, through the selected writings, explore the implications of various definitions of control and examine their place in the changing science of business administration.

Most of the volume, however, is devoted to the application of various control techniques to specific administrative situations. Among the areas touched upon are: company finances, inventory, research and development, production, sales operations, personnel administration, capital budgeting, pricing policy, profitability, planning, cost analysis, and variable budgeting. *Edited by B. C. Lemke, and James Don Edwards, Charles E. Merrill Books, Inc., 1300 Alum Creek Drive, Columbus 16, Ohio, 1961, 795 pp., $7.95.*

Organizing the Corporate Public Relations Staff

In some firms PR reports to the chief executive; in others to a functional specialist. Its activities in several different organizational contexts are examined here

ALTHOUGH business historians have found manuacturing companies with public relations units as early s 1880, it was not until the 1930's that the public relaions function as such received widespread attention rom industry.

The reasons for this attention are not hard to find. Historians point to business's concern, during that perid, with the rise of labor unions, with the increase in egislation that controls or affects business operations nd institutions, and with attacks on private industry as form of economic organization. Many executives felt hat they could no longer be preoccupied solely with elling their products. To survive and protect their rms, they became convinced that they had to sell their ompanies and, indeed, the system of free enterprise tself.

Whatever the specific causes, a Conference Board nalysis of ninety-two manufacturing companies sugests that public relations is today an established and widespread function in industry. Thus, of the ninetywo formal structures analyzed (mostly medium- and arge-size companies) sixty-four, or about 70% of the tructures, show public relations departments on their orporate levels.[1]

These figures also reflect the fact that public relations ctivities, once largely farmed out by companies to pecialized public relations firms, are now primarily arried on inside the company. Obviously there are still ompanies, particularly the smaller ones, that rely on he outside agency. But among the companies studied, he outside firm is used primarily for special projects nd consultations.

SCOPE OF PUBLIC RELATIONS ANALYZED

Of course, companies often have different ideas on what activities fall under the general heading of public elations; even a cursory examination of corporate organization charts chosen at random shows wide variaion in thought and practice. Some companies, for example, consider "public relations" to be merely the preparation of news releases about the company or its products for newspapers and radio stations. Other companies use the title to describe liaison activities between the company and local and governmental units. And still others think of it as an effort to treat in an integrated fashion most of the "image-forming" relations between the company and the outside world.

In addition, titles of units within each public relations department usually differ, sometimes radically, from company to company. Two companies may use similar titles to designate units doing very different things. Or they may use apparently different titles to designate units doing much the same things.

To gain a clearer understanding of what activities are undertaken by the public relations function and who carries them out, THE CONFERENCE BOARD analyzed the units composing the corporate public relations department in twenty manufacturing companies. The analysis, using position guides, unit titles and other materials, considers each unit in terms of what it is responsible for doing. From this analysis a number of functional categories emerge:

► Press relations and press contact units exist in ten companies. These units are responsible for maintaining contact with newspapers, magazines, television and radio.

► Publicity units exist in eight companies. In some companies this unit covers a wide range of public relations activities, but in most of the companies analyzed it is restricted to product-related publicity.

► Publications units exist in seven companies. They are responsible for preparation and production of company publications, including possibly corporate educational, employee, dealer, and financial publications.

► Community relations units appear in six companies. They are responsible, as one company puts it, for "the maintenance of favorable relationships with officials and citizens of those communities in which the company maintains plants and offices."

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[1] For a detailed treatment see John H. Watson III, "Public Relations in Industry," *Studies in Business Policy* No. 80.

- Special activities and exhibits units appear in six companies. Such units may do public relations trouble shooting but are more usually involved in guest relations and in arranging traveling exhibits, special meetings and conferences.

- Financial relations units exist in five companies. They service inquiries from shareholders, investment analysts, banks and insurance companies, as well as preparing annual stockholders reports and prospectuses.

- Photographic and graphic arts units appear in five companies. They usually supply services to the entire corporation, rather than serve simply as an adjunct of public relations. Time-study people, for example, may find photographers useful in making their time and motion studies. Though they are assigned to public relations in five of the companies analyzed, in other companies such services are also found assigned to a general office services department.

- Governmental relations units appear in four companies.[1] Their major responsibilities, as one company puts it, are concerned with "developing and promoting the company's viewpoint on public affairs issues and indicating such interest through contacts with legislative and congressional representatives." The activities of these units may be carried on at national, state and/or local levels.

- Other units appearing in three of the twenty public relations departments analyzed, are devoted to: institutional advertising, corporate philanthropy, and liaison with, or functional guidance of, public relations activities in semiautonomous product divisions.

- Employee relations units distinct from personnel administration appear under public relations in two companies. Such units coordinate public relations activities aimed at employees. Many other companies assign this activity to personnel administration.

- Two companies also have units which "clear" public statements by company personnel on "sensitive" or corporate matters.

It is perhaps worth reemphasizing that the above categories are based on activities rather than titles, and that each category may be considered an activity in itself or a grouping of subordinate activities. These major activities are not, however, distinct and separate, but in fact overlap to a high degree. No line, for example, can be drawn between publicity and press relations Similarly both "employee relations" and "publications might claim the production of the company magazine Each category, then, may be thought of as reflecting on of several ways that the wide variety of public relation activities may be grouped into major activities an units.

From the above list, for example, three methods o grouping these subordinate activities are found. Unde one method, subordinate activities are grouped on th basis of certain skills that, because of temperament tradition and training, are usually linked in public relations work. In most cases, these are contact, writing or editorial-production skills. Another method group these subordinate activities according to the publi relations needs of particular geographic or other company subdivisions. Still a third method—the most commonly used among the companies studied—is one i which a "public" serves as a point of organizational reference. These "publics" are groups with a particula point of view or common set of interests, such as pres people, community leaders and investors.

In grouping activities into units, companies do no usually restrict themselves to the use of any single typ of grouping. Most of the companies analyzed have a three types—"skill" organized, regionally organized, o "public" organized units—in their public relations departments.

This, then, sums up the activities and the interna organization of the units that compose the corporat public relations department.

PLACE OF CORPORATE PUBLIC RELATIONS

What is the position of corporate public relation within the corporate staff?

Public relations people have long maintained that th services they have to offer are corporate-wide in scop and merit independent departmental status equivalen to other specialized functions like finance or research.

In just over half the companies with public relation departments analyzed by the Board, this line of reasoning appears to have been heeded at least to some extent (See the table.) In thirty-four of the companies studied for example, public relations is a separate staff department reporting to a general executive; that is, one who coordinates several separate functions. And in thirteen of these thirty-four companies public relations reports directly to the chief executive. For purposes of comparison, a similar analysis of the research function[1] shows roughly 66% reporting to the chief executive.

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[1] Governmental relations units are also found which report to marketing. Companies in which such units exist usually do an important part of their business with the government, and the emphasis in these units is usually on gathering marketing information and possibly negotiating contracts.

[1] See "Organizing the Corporate Research Staff," *Management Record,* December, 1960

Reporting and Grouping Relationships of the Corporate Public Relations Function in Sixty-four Manufacturing Companies

		Reports to a General Executive							Reports to a Specialized Executive			
Titles	Total Cos.	No. of Cos.	Chairman of the Board or His Ass't.	Chief Exec.	Exec. V. P.	A General V. P.	Ass't. to the Pres.	A Corporate Sec. or V. P. Admin.	No. of Cos.	Per Admin. Executive	Marketing Executive	Financial Executive
No. of companies	64	49	3	22	12	6	2	4	15	3	9	3
Separate public relations dept.	**46**	**34**	**2**	**13**	**9**	**5**	**2**	**3**	**12**	**3**	**6**	**3**
Public relations	40	31	2	12	9	4	1	3	9	2	4	3
Publicity	1	..	..	..	..	..	..	..	1	..	1	..
Shareholder and govern. rel.	1	1	..	1	..	..	..	..	..	..	..	..
Information services	2	1	..	..	..	..	1	..	1	..	1	..
Public affairs	1	1	..	..	..	1	..	..	..	..	..	..
Community relations	1	..	..	..	..	..	..	..	1	1	..	..
Grouped with a marketing activity	**8**	**5**	**1**	**2**	**1**	**1**	..	..	**3**	..	**3**	..
Public relations & advertising	5	3	1	1	1	..	..	..	2	..	2	..
P. R., advertising & sales promotion	1	1	..	..	..	1	..	..	..	..	..	..
Information services	2	1	..	1	..	..	..	..	1	..	1	..
Grouped with a personnel administration activity	**10**	**10**	..	**7**	**2**	..	..	**1**	..	..	..	..
Public relations & personnel	3	3	..	1	2	..	..	..	..	..	..	..
P. R. & industrial relations	3	3	..	3	..	..	..	..	..	..	..	..
Public & employee relations	3	3	..	2	..	..	..	1	..	..	..	..
Personal & public relations	1	1	..	1	..	..	..	..	..	..	..	..

As might be expected, it is in the companies with separate staff departments reporting to the chief executive or some other top executive that public relations activities are generally of widest scope. In the rest of the companies studied, public relations takes a somewhat more limited position and either reports to some other functional specialist or is grouped with some other functional specialty. Here public relations is closely associated with marketing, personnel administration, or finance, and these relationships appear to affect to some extent the public relations activities of the department.

A total of fourteen companies, for example, closely link public relations to work in the area of marketing. This linking occurs in two ways. One way, observed in nine of the fourteen companies, is to have public relations report to a higher marketing executive. Another way, found in eight of the fourteen companies, is to group public relations with advertising as one unit. In three of the above companies, both methods are used; a "director of public relations and advertising" reports to a higher marketing executive.

Those companies in which public relations reports to marketing tend to consider public relations as merely an extension of the sales effort into areas of communication not normally covered by advertising or sales promotion.

An analysis of the activities of these public relations departments lends some support to this point of view. Most, for example, appear to put primary emphasis on press contact and product-publicity activities. And some of the larger companies using this type of organization go so far as to limit "public relations" entirely to press contact and product publicity, while separate "governmental relations" and "financial relations" units may report elsewhere in the corporate staff.

This narrow definition of public relations, however, is not applicable to those companies studied in which "public relations and advertising" reports to a general executive. In these companies the public relations department usually enters into all those activities found in independent departments; although the addition of corporate advertising responsibilities possibly gives added weight to the merchandising aspects of public relations.

What is the situation when public relations is linked with personnel administration? To judge purely on the basis of reporting and grouping relationships, public relations would appear to be a more equal partner when joined with personnel administration than it is when linked to marketing. In a superficial way this is clearly true. For example, of the thirteen companies in which this type of linkage occurs, seven group the two functions together as if they were equal in influence, while none of the companies analyzed group marketing and public relations in this way.

An analysis of the duties of public relations departments, however, somewhat qualifies this view.

The more usual situation among these thirteen companies appears to be one in which public relations fulfills a range of public relations activities, but in which its main focus is on the achievement and preservation of favorable employee conditions. In smaller companies, for example, the whole personnel department may consist of one or two men whose main activity may be labor relations, while public relations is restricted to community relations or employee publications activities.

In a similar way the three companies where public relations on the corporate level works primarily in the financial area, relations with stockholders and other members of the financial public appear to receive the greatest emphasis, sometimes to the exclusion of all other public relations activities.

Thus companies which group public relations with other functions would appear to view this public relations function primarily as a set of techniques, whose best use is in realizing the objectives of marketing, personnel administration, or finance. Possibly this is why "grouped" public relations departments tend more strongly to organize their units according to the "public" at which they wish to aim than do independent public relations departments reporting to general executives.

ROLE OF CORPORATE PUBLIC RELATIONS

The activities, groupings and reporting relationships of the corporate public relations department may also be viewed as shedding some light on the role of corporate staff generally.

Thus, all of the activities of the public relations department fall into the three familiar roles of staff: advice to decision makers; centralized service to decision makers; and functional control of staff and operating units in the area of public relations.

According to the position guides, examples of which are found in the appendix on page 29, public relations advises the various segments of the company on matters having public relations implications and formulates and recommends specific public relations programs and policies. In some companies, the public relations director participates in the formulation of over-all company plans and objectives, but, the analysis indicates, to a lesser extent than other functions, such as research, marketing, and possibly personnel administration.

Also, according to the position guides, public relations departments give functional guidance to the company as a whole. That is, the public relations department assists in evaluating performance of established public relations programs, policies and objectives. In companies whose operations are divided into produc divisions, a large, sometimes major, part of any corporate staff department's role is the evaluation of the performance of division-level units. As far as public relations is concerned, however, there may be no organized public relations program at the division level. Even where division-level units exist, they often report, not to the division general manager, but to the corporate public relations director. Only among the more highly decentralized companies studied is the division public relations unit the responsibility of the division general manager.

However, even where organized divisional public relations units are lacking, most companies make the corporate unit responsible for reviewing and screening public and press statements by managerial personnel on all levels.

Thus, the picture that emerges from the analysis of sixty-four corporate public relations departments is that of a function with both advisory and functional control roles, but which perhaps is most significantly a centralized service to the company as a whole.

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Organizational Behavior: Cases and Readings—The fifty-two short cases included in this book are grouped in five sections arranged in the chronological order of a life career in business. Beginning at the level of a rank-and-file employee, the sections go on to the first level of supervision and junior staff positions, low executive level, high executive positions, and top management. The authors say their criteria in writing the cases was "that each case contain sufficient data to allow the student (a) to complicate his thinking about the problems involved, (b) to treat the case analytically or diagnostically, (c) to make responsible recommendations for action, and (d) to develop general issues of importance to the study of administration."

The cases are supplemented by ten articles originally published elsewhere. The readings, too, are divided into sections. The first, "Two Roles: The Employee and the Supervisor," includes three articles by Peter Drucker, Robert Hilkert, and Floyd Mann and James Dent; the second, "Four Administrative Processes: Leadership, Communication, Organization, Executive Development," includes the writings of Robert Tannenbaum and Fred Massarik, Jay Jackson, Louis Allen, Rensis Likert, Chris Argyris, Ray Brown, and William Newman. *By Austin Grimshaw and John Hennessey, McGraw-Hill Book Company, Inc., New York, New York, 1960, 505 pp., $7.95.*

Significant Labor Statistics

Item	Unit	1961				1960			Year Ago	Percentage Change	
		April	March	Feb.	Jan.	Dec.	Nov.	Oct.		Latest Month over Previous Month	Latest Month over Year Ago
sumer Price Index (BLS)											
ll Items	1947–1949=100	127.5	127.5	127.5	127.4	127.5	127.4	127.3	126.2	0	+1.0
Food	1947–1949=100	121.2	121.2	121.4	121.3	121.4	121.1	120.9	119.5	0	+1.4
Housing	1947–1949=100	132.3	132.5	132.4	132.3	132.3	132.1	132.2	131.4	−0.2	+0.7
Apparel	1947–1949=100	109.5	109.8	109.6	109.4	110.6	110.7	111.0	108.9	−0.3	+0.6
Transportation	1947–1949=100	145.8	145.7	146.2	146.2	146.5	146.5	146.1	146.1	+0.1	−0.2
Medical Care	1947–1949=100	159.9	159.6	159.4	158.5	158.0	157.9	157.3	155.5	+0.2	+2.8
Personal Care	1947–1949=100	133.8	133.6	133.8	133.7	133.7	133.9	134.0	132.9	+0.1	+0.7
Reading and Recreation	1947–1949=100	124.1	123.4	122.7	122.2	122.3	122.5	121.9	121.1	+0.6	+2.5
Other Goods and Services	1947–1949=100	132.6	132.6	132.6	132.6	132.7	132.7	132.7	131.9	0	+0.5
loyment Status (Census)											
ivilian labor force	thousands	70,696	71,011	70,360	69,837	70,549	71,213	71,069	69,819	−0.4	+1.3
Employed	thousands	65,734	65,516	64,655	64,452	66,009	67,182	67,490	66,159	+0.3	−0.6
Agriculture	thousands	5,000	4,977	4,708	4,634	4,950	5,666	6,247	5,393	+0.5	−7.3
Nonagricultural industries	thousands	60,734	60,539	59,947	59,818	61,059	61,516	61,244	60,765	+0.3	−0.1
Unemployed	thousands	4,962	5,495	5,705	5,385	4,540	4,031	3,579	3,660	−9.7	+35.6
ge Earners (BLS)											
mployees in nonagricultural establishments, total	thousands	*p* 52,005	*r* 51,621	*r* 51,314	51,661	53,547	53,370	53,631	53,076	+0.7	−2.0
mployees in nonagricultural establishments, without Alaska & Hawaii[1]	thousands	*p* 51,775	*r* 51,397	*r* 51,090	51,437	53,310	53,133	53,391	52,844	+0.7	−2.0
Manufacturing	thousands	*p* 15,476	*r* 15,492	*r* 15,473	15,580	15,836	16,129	16,313	16,380	−0.1	−5.5
Mining	thousands	*p* 623	622	*r* 620	629	641	647	656	677	+0.2	−8.0
Construction	thousands	*p* 2,644	*r* 2,427	*r* 2,264	2,385	2,552	2,847	3,006	2,590	+8.9	+2.1
Transportation and public utilities	thousands	*p* 3,746	*r* 3,746	*r* 3,759	3,763	3,843	3,868	3,889	3,917	0	−4.4
Trade	thousands	*p* 11,364	*r* 11,337	*r* 11,279	11,464	12,405	11,842	11,742	11,620	+0.2	−2.2
Finance	thousands	*p* 2,524	*r* 2,506	*r* 2,494	2,490	2,504	2,499	2,501	2,463	+0.7	+2.5
Service	thousands	*p* 6,672	*r* 6,562	*r* 6,527	6,518	6,612	6,665	6,698	6,644	+1.7	+0.4
Government	thousands	*p* 8,726	*r* 8,705	*r* 8,674	8,608	8,917	8,636	8,586	8,553	+0.2	+2.0
roduction and related workers in mfg. employment											
All manufacturing	thousands	*p* 11,413	*r* 11,423	*r* 11,395	11,502	11,745	12,037	12,226	12,334	−0.1	−7.5
Durable	thousands	*p* 6,382	*r* 6,363	*r* 6,359	6,456	6,613	6,786	6,863	7,123	+0.3	−10.4
Nondurable	thousands	*p* 5,031	*r* 5,060	*r* 5,036	5,046	5,132	5,251	5,363	5,211	−0.6	−3.5
verage weekly hours											
All manufacturing	number	*p* 39.2	39.1	38.9	38.8	38.6	39.2	39.6	39.3	+0.3	−0.3
Durable	number	*p* 39.7	39.5	39.3	39.2	39.1	39.6	40.1	39.9	+0.5	−0.5
Nondurable	number	*p* 38.5	*r* 38.7	38.4	38.4	38.0	38.8	39.0	38.6	−0.5	−0.3
verage hourly earnings											
All manufacturing	dollars	*p* 2.33	2.32	2.31	2.32	2.32	2.30	2.30	2.28	+0.4	+2.2
Durable	dollars	*p* 2.48	2.47	2.47	2.47	2.48	2.46	2.46	2.44	+0.4	+1.6
Nondurable	dollars	*p* 2.13	2.12	2.11	2.12	2.11	2.10	2.09	2.06	+0.5	+3.4
verage weekly earnings											
All manufacturing	dollars	*p* 91.34	90.71	89.86	90.02	89.55	90.16	91.08	89.60	+0.7	+1.9
Durable	dollars	*p* 98.46	97.57	97.07	96.82	96.97	97.42	98.65	97.36	+0.9	+1.1
Nondurable	dollars	*p* 82.01	*r* 82.04	81.02	81.41	80.18	81.48	81.51	79.52	A	+3.1
traight time hourly earnings (estimated)											
All manufacturing	dollars	*p* 2.28	2.27	2.26	2.28	2.28	2.25	2.25	2.23	+0.4	+2.2
Durable	dollars	*p* 2.42	2.41	2.42	2.42	2.42	2.40	2.39	2.38	+0.4	+1.7
Nondurable	dollars	*p* 2.09	2.08	2.07	2.08	2.08	2.06	2.05	2.02	+0.5	+3.5
nover Rates in Manufacturing (BLS)											
eparations	per 100 employees	*p* 2.8	*r* 3.4	3.6	4.3	3.9	3.9	3.8	3.6	−17.6	−22.2
Quits	per 100 employees	*p* 0.8	0.7	0.6	0.7	0.6	0.7	1.0	1.1	+14.3	−27.3
Layoffs	per 100 employees	*p* 1.6	*r* 2.2	2.5	3.0	2.9	2.7	2.2	2.0	−27.3	−20.0
ccessions	per 100 employees	*p* 3.1	*r* 3.3	2.7	3.1	1.8	2.3	2.8	2.8	−6.1	+10.7

[1] he following eight industries also exclude Alaska and Hawaii. *p* Preliminary. *r* Revised. A Less than .05% change.

Highlights

AN EMPLOYER faces a variety of problems when he decides to set up parking facilities for the cars of employees who drive to work. The experiences of others, however, can supply him with many possible solutions.

FOR EXAMPLE, suppose the employer has estimated the amount of space he will need for the parking but finds it impossible to secure enough ground-level property to satisfy that need. Some companies have solved this problem by adding parking facilities atop or beneath their plant buildings or by constructing multilevel garages next door.

A FEW COMPANIES, moreover, have increased the capacity of their parking areas by marking off entire sections in reduced stall dimensions and limiting them to small cars.

ONE COMPANY eliminated all stall markings so that cars of varying size would occupy no more space than their width safely required.

FOR THE PROBLEMS encountered in getting employees' cars in and out of parking areas, especially at the beginning and end of each work shift, there would seem to be no complete solution. But some companies have managed to cut down on the congestion by staggering the work schedules of their employees, by promoting share-the-ride plans, by asking local police authorities to install traffic signals, or by encouraging the use of scooters and other small vehicles.

THEN, TOO, there are the administrative problems. Most companies have adopted rules and procedures that spell out how and by whom the parking facilities are to be used. These rules are designed to promote safety and efficiency and to protect the cars of the employees. Invariably, however, some parkers violate the rules.

MANY COMPANIES have found, after trying more lenient approaches first, that the best way to handle the problems which result from the violations is to penalize the violators. They do this, after at least one preliminary warning, by hauling away the violator's car, by suspending his parking permit, or, as a last resort, by firing him.

OTHER ADMINISTRATIVE problems for which companies have found solutions cover such matters as reserving spaces for certain employees, charging employees for the parking facilities, providing services for parked cars, and putting the parking areas to use during nonworking hours.

Handling Employ

Bricklayer: "I'd like to work here, but I don't find a place to park my car."

Foreman: "I guess you won't do. We only want bricklayers with chauffeurs."

ALTHOUGH this exchange appeared in a humor column,[1] the problem of employee parking is no joking matter. Since the end of World War II, there has been a steady rise in the number of workers who use cars to reach their jobs. According to a survey conducted by *Business Week* in 1957, "about half of all industrial employees across the nation now drive to work—most of them by themselves."[2]

Many employers have found it advisable, as a result of this development, to take on the responsibility of providing on-the-job parking facilities for their employees' cars. Invariably, it has been a distressing responsibility and one that imposes a wide variety of problems.

These problems fall into two main categories:

1. Those encountered in setting up the parking area;
2. Those encountered in administering it.

SETTING UP THE PARKING AREA

Problems to be solved in setting up a parking area for employees' cars come in three stages. First, the company has to secure the needed space. Next, it has to convert the space into an organized parking area. Finally, it has to provide access to the parking area for outside traffic. The amount of trouble it encounters in tackling these problems usually depends on where the company's plant is located.

The Space Problem

How much space is needed for an employee parking area? A study made by the National Industrial Zoning Committee on behalf of state planning and development agencies reported that in over three-fourths of 137 industrial plants constructed during the five years prior to 1953, at least one parking stall had been provided for

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[1] "Pepper . . . and Salt," *Wall St. Journal,* March 28, 1960.

[2] "Parking Lots Eat Up Plant Sites," *Business Week,* March 16, 1957, pp. 71-76.

The proper ratio of parking spaces to workers, as well as their most efficient arrangement, are among the topics covered in this story

rking Problems

every two employees. The ratio of parking space to employees, however, varies from company to company. Companies try to determine the amount of space needed by learning how many of their employees expect to drive to work. If the company is located in a rural area, it will generally need more parking stalls than city firms because of the lack of adequate public transportation. And if it has more than one shift of workers, the space requirements are usually doubled, since second-shift workers cannot park in stalls occupied by the cars of the first-shift workers who are being relieved. These stalls would be open, however, when third-shift workers arrive to relieve the second-shift workers.

After estimating their immediate parking space needs, companies may add extra space to allow for further expansion. About ten years ago, for example, when the General Electric Company built its Appliance Park plant on the outskirts of Louisville, Kentucky, it provided a 9,000-car parking lot for some 10,000 employees.

Securing the Space

After a company has figured how much parking space it needs for its employees, both now and in the future, it may have trouble securing the property. In cities and crowded suburbs particularly, property is often very expensive. But even when a company is willing to pay a high price, it may fail to find enough property available to satisfy its needs.

A number of companies have solved the problem of not being able to spread outward by expanding upward. Some, for example, have built a parking area on the roof of an existing plant. Others have found their solution by going underground. Several company office buildings recently erected in large cities, for example, have installed parking facilities in their basements and have reserved at least some of the stalls for employees.

Space limitations in urban localities have caused a few companies to construct multilevel garage buildings. To keep costs down, these buildings are usually constructed of unprotected steel or concrete. Access to the parking stalls may be by ramp or elevator. Some companies are becoming interested in mechanical parking; there are now several patented systems on the market.

An upstate New York bank, for instance, plans to install the Minit Park system. This features an electric parking elevator that can rise vertically for a maximum of twelve floors and also move laterally between two rows of car stalls one or two cars deep on each side of the craneway. Cars to be parked are picked up by a traverse dolly that lifts them automatically into the elevator cab for transportation to the assigned parking stall. The bank's garage will be eight floors high and have two elevators that can park 234 cars mechanically. By renting 150 of these stalls to the public, the bank hopes to offset the cost of the remaining eighty-four stalls, which it expects to make available to its own employees and customers.

Preparing the Space for Parking

The multilevel garage is the exception. Most companies that provide employee parking have managed to obtain sufficient space for ground-level parking. In preparing the space to receive cars, however, they have run into one or more of the following engineering problems.

Surfacing: As a first step, the area for employee parking is graded and surfaced. Many companies have found that permanent surfacing with a dustless material, such as blacktop or concrete, pays for itself in the long run. It takes care of the drainage problem, reduces maintenance costs, and permits a more orderly arrangement of cars within the parking area.

The Parking Arrangement: The objective in drawing up a parking plan is to organize the parking so that the greatest number of cars can be accommodated within the available space and so that the cars can enter and leave the parking stalls swiftly and safely.[1]

In many company parking lots, the stalls are lined up in double rows, with sufficient space on either side of each row to allow adequate turning radius for the cars. A raised metal or cement barrier is often installed down the middle of every double row as a safety measure.

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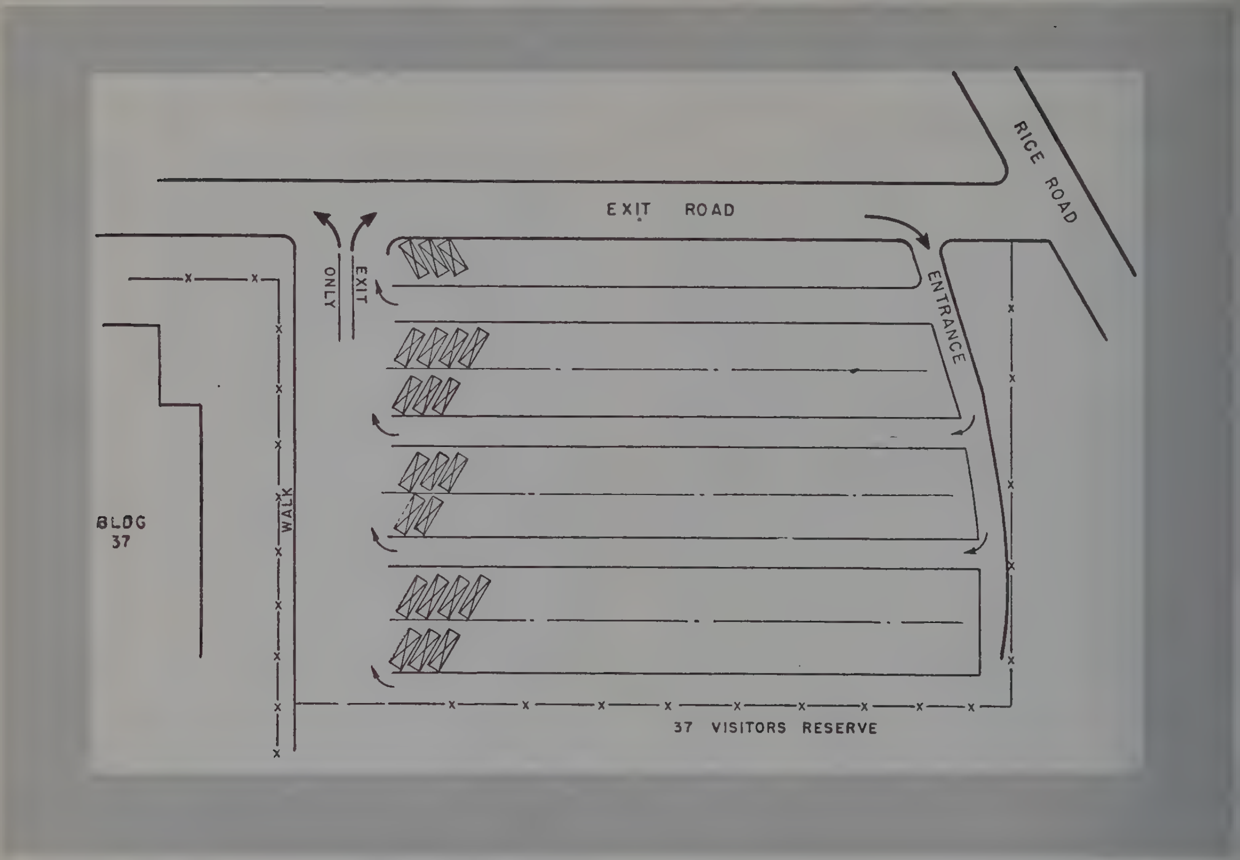
[1] Western Industries, Inc., 2742 West 36th Place, Chicago 32, Illinois, a manufacturer of electric parking gates, has a booklet on "How to Lay Out a Parking Lot." It contains numerous diagrams and photographs of suggested parking arrangements and car dimension tables for both standard-size and compact cars. Associates of THE CONFERENCE BOARD may obtain a copy without charge by writing to Western Industries.

General Electric's Schenectady Parking Lot No. 1



Traffic engineers have recommended that, for standard-size cars, stall dimensions should be at least 8′ x 18′. Anything less, they say, can lead to damaged fenders. Some companies, however, have increased the car capacity of their lots by making special provision for small cars. For example, Sperry Gyroscope Company in Great Neck, New York, has marked off a total of nine rows of its parking lots into 7′ x 14′ stalls and reserved them for small cars. An initial disadvantage of this space-saving arrangement was that some of the wider "compacts" were being squeezed into the 7′ x 14′ stalls, endangering adjacent cars. But a published listing, by make and model, of the small cars permitted to use the smaller stalls quickly remedied matters.

Parking lots often are irregular in shape, especially those that surround a factory building of unusual design. In such cases, there may be odd corners and triangles left over after the rectangular spaces for cars have been laid out. These may be large enough to accommodate one or more small cars. Some companies mark them for this purpose.

The problem of varying car sizes was solved in another way by the Lederle Laboratories Division of the American Cyanamid Company in Pearl River, New York. All white lines separating car stalls were removed from the parking lot, and the drivers were encouraged to park their cars as close to each other as safety allowed. In this way—with each car taking only the space its width required—the company was able to accommodate at least three additional cars in each row.

Two painted white lines frequently are used to mark off the parking stalls. A few companies place two yellow lines (about an average car's width apart) within the two regular white lines, to make it easier for each parker to stay squarely within his own stall.

Ordinarily, drive-in angles are of 90, 60 or 45 degrees. The 45- and 60-degree parking angles facilitate the maneuvering of cars in and out of the stalls, but more space per stall is required than when the parking angle is 90 degrees, and the smaller angles are less adaptable to irregular areas. The following table, drawn up for the Institute of Traffic Engineers in 1959, shows recommended stall and aisle dimensions for drive-in parking:[1]

Angle of Parking	Width of Stall	Depth of Stall Perpendicular to Aisle	Width of Aisle	Unit Parking Depth[1]	Width of Stall Parallel to Aisle	Number of Stalls in Given Distance
90°	8′6″	18′	24′	60′	8′ 6″	$\frac{D}{8.5'}$
60°	8′6″	18′6″	18′	55′	9′10″	$\frac{D-11'}{9.8'}$
45°	8′6″	17′6″	12′	47′	12′	$\frac{D-17.5'}{12'}$

[1] In fitting parking stalls and access aisles to the dimensions and shapes of land parcels, it is convenient to use the width of an aisle plus the length (or depth) of a stall on each side of it as a unit of measure. Authorities refer to this measure as the unit parking depth and the value changes for each angle of parking.

Finding the parking angle best suited to the size and shape of a particular area can add substantially to the number of cars that can be accommodated efficiently. The General Electric Company made a study of the No. 1 parking lot at its Schenectady, New York, plant about ten years ago and rearranged the parking stalls at a 60-degree angle, as shown in the sketch on page 18. This rearrangement permitted about a 50% narrowing of the aisle spaces and increased the over-all car capacity of the lot by approximately 25%.

Entrances and Exits: When it is possible to do so, companies prefer to have employee cars enter both the lot itself and the aisles between the row of parking stalls from just one direction and exit from the opposite direction. Such one-way flow (see the GE sketch) tends to prevent congestion and promote safety. To encourage employees to proceed in the proper direction, directional arrows are often painted along the roadways.

The Institute of Traffic Engineers suggests providing one more exit than there are entrances, to facilitate handling the concentrated rush for exits that is customary when a work shift ends.

Other Parking Lot Facilities: Particularly in populated city and suburban areas, company parking lots are often enclosed within woven wire fences, to keep out unauthorized persons. The fences are usually at least five feet high and the entrances are guarded either by parking attendants or, as automation progresses, by electrically controlled parking gates. Automatic gates, for instance, have been placed at the entrances to the Scott Paper Company's parking lot in Chester, Pennsylvania. Employees gain access to the lot by use of a laminated, plastic key inside of which are thin strips of metal. These special card keys, on being inserted into a meter-type box located outside each gate on the driver's side of the car, make an electrical contact that causes the gate to open automatically.

Pedestrian facilities are often provided for the safety of the employees who come to work in cars. Commonly, for example, a sidewalk is built along the plant side of the parking lot to permit employees to walk clear of moving cars. As a further convenience, a few companies also offer protection from bad weather by constructing covered walkways that extend from the edge of the parking lot to the working area. The walkways in the parking lot of AC Spark Plug Division of General Motors in Flint, Michigan, have escalators at the working area end. Some have heated sidewalks so that snow and ice do not collect on them during cold weather.

Lighting facilities are generally installed as a safety measure in company parking lots that are used by night-shift workers. The amount of light needed to permit safe movement in the dark depends, of course, on the size of the lot and its proximity to the work area.

Providing Access to Outside Traffic

A company parking lot usually opens onto one or more access streets that connect with main thoroughfares and that are wide enough to permit turns in and out of the lot without impeding the flow of traffic. The ideal situation, according to the Institute of Traffic Engineers, is to place a parking lot between two one-way feeder roads, each with two lanes at least twelve feet wide. One road can then carry vehicles to the lot, while the other takes them away from the lot.

Companies invariably find it difficult to get employee cars in and out of the parking lot quickly at both the beginning and the end of each work shift. There would seem to be no complete solution for these problems, especially at the end of a shift when all the employees from that shift are leaving at the same time. But here are steps that some companies have taken to alleviate congestion.

Staggering Working Schedules: In crowded industrial localities, where cars from more than one company parking lot are feeding on to main thoroughfares, a change in the starting and quitting times of groups of employees may ease the situation. A while back, for example, a manufacturing company in a large city, cooperating with municipal authorities and the officials of a neighboring plant to relieve local traffic congestion, adopted new time schedules for its work force. The factory and office hours—for all three shifts—were set ahead about a half hour, without altering the lunch or rest period schedules. Between the end of the first and the start of the second shift, a twenty-minute lapse was inserted (except for continuous operation workers). This lapse allowed approximately one hundred first-shift cars to vacate one of the parking lots in time to make their stalls available for second-shift cars.

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[1] Reprinted with permission from "Industrial Plant Parking," a report of Committee 6-F approved January, 1959, by the board of directors as a recommended practice of the Institute of Traffic Engineers. This report discusses in technical detail many of the parking problems confronting industrial plants and offers practical solutions based on accepted standard practices. Reprints can be obtained from the Institute of Traffic Engineers, 2029 K Street N.W., Washington, D. C.; price per copy is 15 cents.

Promoting Share-the-Ride Plans: Share-the-ride plans are encouraged by many companies that provide employee parking. They lessen traffic congestion at starting and quitting times. In addition, they can reduce the parking space problem of the employer and save money for the employees.

Traffic Signals: Cars leaving parking lots that abut busy thoroughfares are likely to have trouble working their way into the traffic flow. Some companies faced with this problem have found local police authorities willing to install automatic traffic lights that operate only during starting and quitting times.

Three traffic towers with signal lights were erected, as a joint city and state project, along the main thoroughfare side of the parking lot at the Ford Motor Company's Rouge Plant at Dearborn, Michigan. Each tower houses a push-button control board for operating the signal light system. It is also equipped with both neon signs and a loudspeaker system which enable traffic policemen, who man the towers during shift changes, to give personal routing directions to motorists as an added means of preventing tie-ups. During slow hours, the towers automatically operate a system of red and amber blinker signals. A similar tower is located opposite the Ford Central Office Building, at another location in Dearborn.

Guide Maps: Some employers have studied the neighborhoods surrounding their plants and have discovered little-traveled side roads that do not lead directly into a main thoroughfare, yet provide ready access to and from the company parking lots. Guide maps, showing where these alternate routes connect with outside highways and how they can be used to advantage by workers, were then published in the employee magazine as a means of cutting down on the number of cars contributing to morning and evening traffic jams.

Other Means of Transportation: In some companies, employees are encouraged to travel to and from work in scooters and other small vehicles. The use of such vehicles helps the company solve its congestion problems and the employees reduce transportation costs.

ADMINISTRATIVE PROBLEMS

A company's parking problems seldom end when the physical facilities for the parking have been completed.

The use of the facilities have to be regulated. This normally entails the adoption of procedures and rules that spell out for the employees how and by whom the parking facilities are to be used. Getting the employees to observe these rules can often bring on a variety of administrative problems.

Company Parking Rules

When a company draws up parking rules, its main objective is to provide maximum safety and convenience for the greatest possible number of its employees.

A usual first requirement is for any employee desiring to use the company parking facilities to send an application form to the personnel department or to the office of whatever security unit may have jurisdiction over the parking. On this form, the employee enters his license number, his name and address, the department in which he works, and the make and year of his car. The application form used by the National Cash Register Company is reproduced on page 21. Some companies also require applicants to prove that they own, or are authorized to drive, the car they desire to park on the company lot.

Approved applicants customarily receive a paper, cloth or metal identification card or plate, along with specific instructions on where it is to be displayed. The rule of a company that issues a paper sticker, for example, states that it "should immediately be applied to the windshield of the car, showing that permission has been granted and identifying the user." Aetna Life Insurance Company in Hartford, Connecticut, issues its parking permit in the form of a paper seal with a gummed face to allow it to be affixed to the inside of the windshield at the upper center so that vision is not blocked. In addition to the company permit number, the back of the permit also bears the registration number (license plate number) of the car to which it is issued. This allows the attendant to periodically check all cars to make sure no unauthorized driver has obtained a permit. The color of the paper seal determines which yard the driver is permitted to use. No car is allowed in company yards unless it bears this seal.

Parking permits are issued, in some companies, only to employees whose cars are insured. One of the parking regulations of a Southern insurance company states:

> "All employees who park in either lot must carry automobile liability insurance. . . . The personnel department must have a certificate of insurance or a duplicate policy before any employee will be allowed to park in either of the lots. This requirement is an absolute necessity and is a protection to every employee who uses the lots."

A frequent requirement directs employees to park their cars at the right angle within a designated space. But there may be additional rules. Aetna Life, for example, instructs users of its parking yards as follows:

"A. The attendants in the yards have been placed there to insure your safety and convenience. Their instructions and directions *must* be followed, and the full cooperation of those using the yards is required.

"B. Cars must be driven slowly and carefully, and driveways must not be blocked. The law requires that driveways must be kept clear for access of fire apparatus, if needed.

"C. Care must be taken in opening car doors to prevent damage to adjacent cars. Drivers should warn their passengers of this hazard and remind them also to observe caution when alighting because of other cars pulling into line.

"D. The parking yard attendant alone has the authority to start engines of other cars which it may be necessary to move.

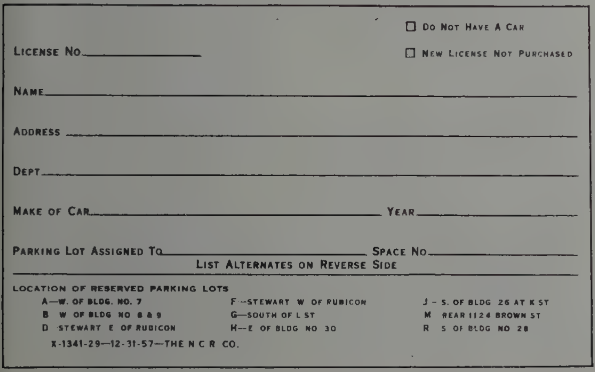
"E. All cars may be locked, except those parked in a manner so as to prevent the exit of other cars.

"F. Accidents are to be reported by both parties involved to the special services department."

Such rules are designed to protect the company by enabling it to promote safety, to keep out unauthorized persons, to reduce maintenance costs, and to accommodate as many employees' cars as possible in a systematic manner. But the employee parkers can also profit from the observance of such regulations. If their cars are properly identified, the company is in a position to notify them in case they forget to turn off the motor, the lights or the radio. Or, some employees may be unable to park because others have parked at the wrong angle. Spot checks made in one company's parking lot, over a period of several days, revealed that violations of the rules by several careless drivers were depriving at least one hundred workers of places in which to park their cars in safety.

A few companies conduct safety campaigns to encourage the observance of parking rules. Snapshots are taken of actual parking violations. These are then published in the employee magazine or newspaper to illustrate the dangers that exist if the violations are not stopped. Dramatic posters are sometimes used to the same end. For example one of the posters that Walter Kidde and Co. Inc., of Belleville, New Jersey, used in a safety campaign pictured pallbearers shouldering a casket to an opened grave and carried this legend: "Who is this guy? He used to be a fellow employee. But he was in too much of a hurry to get out of the parking lot. Now he has a permanent parking place." (See page 22.)

National Cash Register's Application Form



☐ Do Not Have A Car

License No.______________ ☐ New License Not Purchased

Name____

Address ______________________________________

Dept.____

Make of Car__________________________ Year__________

Parking Lot Assigned To______________________ Space No.__________

List Alternates on Reverse Side

LOCATION OF RESERVED PARKING LOTS

A—W. OF BLDG. NO. 7
B W OF BLDG NO 8 & 9
D STEWART E OF RUBICON
F—STEWART W OF RUBICON
G—SOUTH OF L ST
H—E OF BLDG NO 30
J – S. OF BLDG 26 AT K ST
M REAR 1124 BROWN ST
R S OF BLDG NO 28

X-1341-29—12-31-57—THE N C R CO.

Penalties for Violators

Many companies have found, after trying more lenient approaches first, that the best way to get all employees to observe the parking rules is to penalize violators.

Violators are warned at least once before penalties are imposed. The warning may be in the form of a colored ticket or notice that a parking attendant places under the windshield wiper of the violator's car. A sample ticket—the one used by the Crouse-Hinds Company in Syracuse, New York—is reproduced on page 23.

Examples of penalties provided in case employees who have been warned continue to violate company parking rules include:

Dismissal: The employee handbook of one company contains this statement: "Employees who fail to comply with the parking regulations and who do not respect the rights of others cannot expect to be retained in our employ."

Loss of Pay: A metal products company keeps a record of violations of its parking rules. First offenders get a warning and an order to move their cars. Second offenders are laid off for the day.

The policy and procedure manual of a manufacturer of office and computing machines provides as follows:

> "In any case where an employee has parked his automobile in an aisleway or another prohibited area, it will be the practice of plant protection to contact the employee through his supervisor and request him to move the car. . . . As a matter of policy, employees will not be paid for time spent in correcting their violation of parking regulations."

An article in the employee publication of an electrical machinery plant goes into detail on this point: "Drivers of illegally parked cars will be required to repark their autos on their own time. That means that the time taken to park their cars correctly will be registered on their time cards or attendance sheets."

Hauling Cars Away: Several companies make a practice of towing away improperly parked cars. The violator has to pay the towing cost in some cases. In all cases he is made responsible for any damages, traffic fines or other losses resulting from the removal of his car. This is spelled out for parkers at a manufacturing plant in these words:

> "In the event a vehicle is parked in violation of the company's parking regulations, or in disregard of instructions given at any time by company representatives, by signs, or otherwise, the company has the right to remove the vehicle to another parking area without notice to the permit holder, and the permit holder assumes all risks of loss or damage arising from improper parking or from such removal of the vehicle by the company. In accepting and using this permit, the permit holder agrees to be bound by the foregoing."

Other Disciplinary Actions: A second violation of the parking rules of a metal products company "will result in tow-away or serious disciplinary action." No further details are given, but disciplinary actions taken in other companies against parking rule violators include suspension or revocation of the parking permit. The policy and procedure manual of one company states:

> "Upon receipt of violations reports from Plant Protection, it will be the responsibility of supervisors to initiate appropriate disciplinary action. The principle of progressive discipline will be observed, and disciplinary action will be taken in the following order, depending upon the nature and frequency of the violations:
> "Written warning
> "Revocation of permits for ninety days
> "Suspension
> "Discharge."

WHO IS THIS GUY?
HE USED TO BE A FELLOW EMPLOYEE
But he was in too much of a hurry to get out of the parking lot.—Now he has a permanent parking place.
Safety IS NO ACCIDENT

Reserved Parking Spaces

Several companies let all employees occupy the spaces on a first-come, first-served basis. "No other method," a food distributor explains in its employee handbook, "seems so practical."

But there are many companies that reserve some or all of the spaces provided for employee parking. For example, there is a choice stall in the parking lot of the Kaiser Aluminum and Chemical Corporation plant in Chalmette, Louisiana—the stall next to the exit gate—that is reserved for the employee who qualifies for the safety award of the month. Oneida Ltd., in Oneida, New York, reserves all employee parking stalls on a convenience basis. Its policy and procedure manual provides.

> "1. All employees driving cars shall be assigned a parking space.
>
> "2. The space assigned shall be as close to their place of work as possible."

Normally, reserved stalls are not identified individually. They may occupy the end of the parking lot adjacent to the plant entrance and be marked off as the "reserved section." But a few companies paint on each and every reserved stall the name or title of the employee for whom it is reserved. At the parking lot of The Lionel Corporation in Hillside, New Jersey, this individual identification is accomplished through the use of numbers. Each stall in the reserved section carries a different number and may be used only by that individual whose parking permit bears the corresponding number. To provide a check, each employee is required to paste his parking permit on the reverse side of the rear-view mirror of his car.

In order to retain a reserved space, a person may be required to use it regularly. Bell & Howell Company in Chicago, Illinois, makes employees on executive or special payrolls eligible for a reserved space "provided they drive their own car a minimum of three days per week." A manufacturing company that gives department heads a parking space priority specifies in its policy and procedure manual that "An employee not using the assigned space, but instead permitting another employee to use it, forfeits his right to the space."

Should an employee with a reserved parking space be transferred to a new location, does his previous reservation count in establishing priority for space at the new location? The manual of a Midwestern company states:

> "When an employee who has been assigned parking space no longer needs it or is transferred to another location, he shall relinquish his space so that it may be assigned to someone else on the waiting list. If later the employee again needs parking space or upon transfer requires a parking space at his new location, his reapplication will be filed in accordance with the date of his original application for parking space."

Discussed in the following paragraphs are the special groups for whom companies frequently reserve parking spaces.

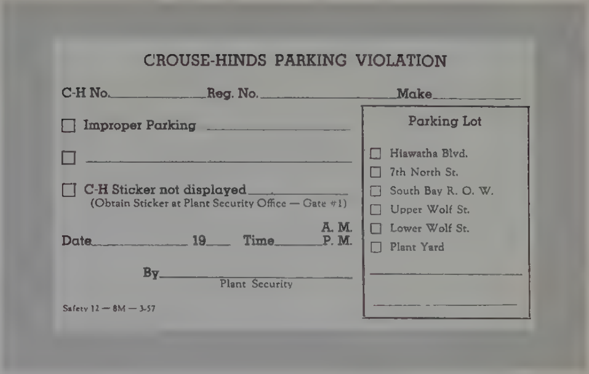
Executives, Customers, and Employees Who Use Cars for Company Business—Individuals in this group are among the first ones considered when provision is made for reserved parking spaces. "Company operations require," the procedure manual of a manufacturer explains, "that adequate space must be reserved at all times for company visitors, executives and those of our employees who use their cars for company business."

Counted among the employees who use their cars for company business are salesmen and repairmen. The time of such employees is too valuable to be lost in looking for a space when they drive in and out of the company parking lot. On occasion, in fact, they are the only ones for whom spaces are reserved. The manual of a maker of metal parts states:

> "Since it is impossible to assign individual parking spaces for all employees, only persons who must come and go at irregular hours due to job requirements will be assigned personal parking spaces."

S. C. Johnson & Son, Inc., in Racine, Wisconsin, has a long-standing procedure for assigning parking spaces. It stipulates that reserved parking spaces are assigned to visitors, executives, employees who are routinely in and out on company business, and employees with physical handicaps. The balance of company employees who drive to work at least 75% of the time are assigned to parking areas.

Parking area assignments are made through a point system which is based upon pay group and unbroken years of service. The numerical pay group plus one point for each five years of service give the total points. In the case of equal eligibility scores, priority is given the employee having the longest service. Once each year the company's personnel department reviews current lists of executive and nonexecutive employees to assure that parking facilities are accurately assigned.



CROUSE-HINDS PARKING VIOLATION

C-H No.________ Reg. No.________ Make________

☐ Improper Parking ________

☐ ________

☐ C-H Sticker not displayed________
(Obtain Sticker at Plant Security Office — Gate #1)

Date________ 19___ Time______ A. M. P. M.

By________
Plant Security

Safety 12 — 8M — 3-57

Parking Lot

☐ Hiawatha Blvd.
☐ 7th North St.
☐ South Bay R. O. W.
☐ Upper Wolf St.
☐ Lower Wolf St.
☐ Plant Yard

All requests for parking spaces are channeled through the personnel department and executed by the plant engineering department.

Office Employees—In some companies, a section of the lot is reserved for office employees who start work later than factory employees. The cars of office employees may be distinguished by a different colored parking permit.

Long-service Employees—Length of service is often a decisive factor in determining who gets the reserved parking spaces. One company, for example, extends the privilege first to supervisory personnel of at least the manager level, then to all employees with twenty-five or more years of service. An insurance company assigns spaces in an inside garage to "officers and twenty-five-year employees." The W. A. Sheaffer Pen Company in Fort Madison, Iowa, reserves the best spots for employees with twenty or more years of service, the next best spots for employees with fifteen to twenty years of service, and so on down the seniority line.

The Detroit Edison Company favors senior employees not only while they are active but even after they retire:

> "It is the policy of the company to provide as much space as is economically practicable for . . . employees in the downtown Detroit area who drive regularly to work. There is not enough space to accommodate all such employees. Therefore, permits are issued on the basis of cumulative service with the company.
>
> "Our retired employees who have occasion to use the

lots are issued permits at their request, and employees are permitted to park after hours."

Seniority is one of the factors considered in the assignment of employee parking privileges at the Newark home office of The Prudential Insurance Company of America in Newark, New Jersey. It is used to encourage car "pools." The four parking lots the company maintains in downtown Newark do not provide enough space for all the employees who want to drive to work. Available spaces (with the exception of a few that are reserved for employees with major health problems) are assigned on a seniority-car pool arrangement.

This seniority-car pool system is based upon recognition of the seniority of the car pool members both on an individual and composite basis. This is tempered by consideration of the distance they travel to the office and the availability of alternate transportation. The car pool idea was introduced in the early stages of World War II when gas rationing was in effect, and because of its utility and the fact that it has been met with general satisfaction, it has continued ever since.

Share-the-ride Drivers—Special parking privileges are frequently granted to employees who give other employees rides to work. These share-the-ride drivers may be assigned (1) a reserved spot, where there is not room enough for all cars, or (2) a choice location, where all cars can be accommodated. For example, at Convair Division of General Dynamics Corporation in San Diego, California, the company has several parking lots; but the stalls in the most convenient lot are reserved for the cars of drivers who carry at least two other employee passengers.

Besides offering the incentive of parking privileges, many employers lend a helping hand in the formation of the car pools. Some employee publications carry columns in which employees looking for a ride or for riders can advertise free of charge; or the personnel department may maintain a central file of car pool information. A company in Connecticut gathers information for prospective car pools by asking each job seeker who owns a car to fill in on the employment application the car's make, year, license number and seating capacity.

Handicapped Employees—Many managements that employ handicapped employees have found that, on the job, these employees are as good or better than other workers. Getting to and from the job, however, can be especially difficult. For this reason, some companies reserve a convenient parking space for handicapped workers. The personnel practices and procedure manual of the Minneapolis-Honeywell Regulator Company, for example, provides: "Insofar as possible, space with convenient access to plant entrances will be assigned to disabled employees."

The application form for handicapped employees who want a reserved parking space in the lots of the Carrier Corporation in Syracuse, New York, is reproduced on page 25. The medical director returns the form to the security and protection department (which has over-all responsibility for parking areas) and this department then informs the employee if the application has been refused, or arranges for the issuance of the necessary pass and sticker if the application is granted. The privilege is granted for a maximum of one year, but may be renewed at the end of that period.

Protecting Parked Cars

Most companies that provide employee parking take reasonable precautions to protect parked cars during working hours. They lay out the parking area in a manner conducive to safe driving; they may promulgate and enforce parking rules and erect gates and fences; some hire guards to patrol the parking area.

If, in spite of these precautions, the fender of an employee's car is dented or his tires or personal belongings are stolen while he is at work, is the employer responsible for his loss?

Several companies advise employees who use the parking facilities that they do so at their own risk. The following notice, for example, has been given to parkers at General Electric's Schenectady works:

> "Parking on company premises is a privilege extended to employees for their convenience. The company will, therefore, not be liable for losses or damages to any vehicle or to its contents brought on company premises unless caused directly by negligent operation of company-owned vehicles or equipment."

And here is a statement from the policy and procedure manual of Pass and Seymour, Inc. in Syracuse, New York:

> "Every reasonable effort will be made to have parking areas usable at all times of the year, and to protect the automobiles and their contents.
>
> "The company, however, cannot assume the responsibility for fire, theft, or personal liability when workers use the parking facilities."

Employee drivers are expected to cooperate with the company in its efforts to protect parked cars. A manufacturing company tells its employees:

> "The parking lots are kept in good condition so as to eliminate the possibilities of accidents. Guards are avail-

able during the change of shifts to assist in parking cars, so that everybody is assured of enough space to leave without damaging the adjacent cars.

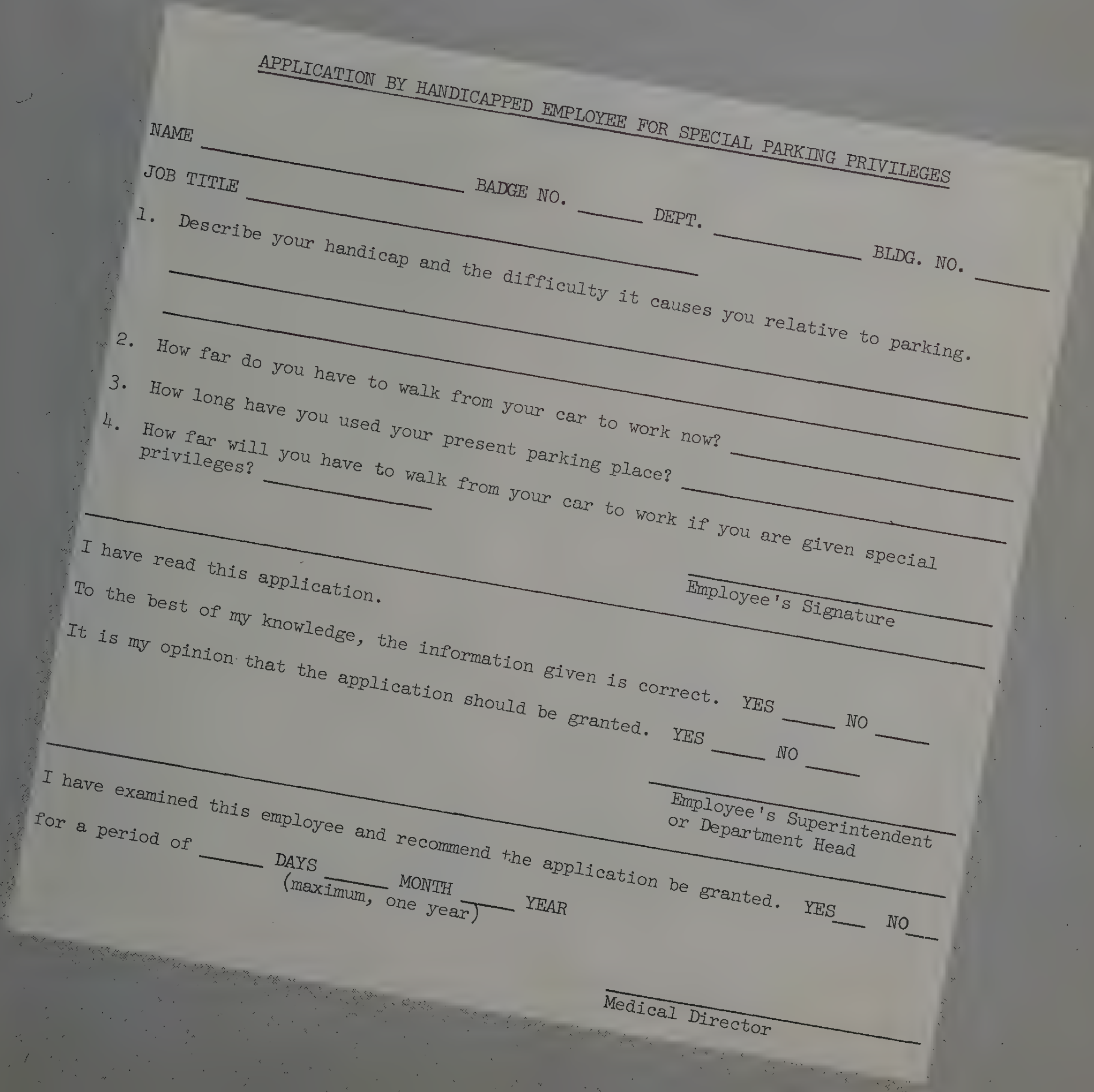
"We ask all employees who drive cars to apply the rules of safe driving when entering or leaving our parking lots. . . . We solicit your cooperation in helping us to reduce accidents on the parking lots."

The cooperation of employee drivers is also solicited in helping companies prevent pilferage. A few years ago, several radios were stolen from cars parked in the lots of an aircraft manufacturer. After the thief was apprehended, the local police department offered the following suggestions which the company passed on to employees using its parking lots:

- Lock the ignition and remove keys.
- Lock car doors and windows.
- Do not leave personal property exposed in your car. Lock it in the trunk.
- If your automobile is stolen or loose articles or accessories are stolen from it, notify the police department at once.
- Report the loss also to the company guard headquarters.
- Carry a record of the serial number, motor number and license number of your automobile, and keep a record of the serial numbers of accessories, tires, etc.
- Report all suspicious-acting persons in company parking lots to the police department.

Charging Employees for Parking

Ordinarily, there is no charge for the use of parking facilities during working hours: the convenience is furnished as a free company service. In a 1954 survey,



APPLICATION BY HANDICAPPED EMPLOYEE FOR SPECIAL PARKING PRIVILEGES

NAME ____ BADGE NO. ____ DEPT. ____ BLDG. NO. ____

JOB TITLE ____

1. Describe your handicap and the difficulty it causes you relative to parking.
2. How far do you have to walk from your car to work now? ____
3. How long have you used your present parking place? ____
4. How far will you have to walk from your car to work if you are given special privileges? ____

I have read this application.

Employee's Signature

To the best of my knowledge, the information given is correct. YES ____ NO ____

It is my opinion that the application should be granted. YES ____ NO ____

Employee's Superintendent or Department Head

I have examined this employee and recommend the application be granted. YES ____ NO ____

for a period of ____ DAYS ____ MONTH ____ YEAR (maximum, one year)

Medical Director

THE CONFERENCE BOARD found that more than 91% of 519 companies were providing free parking for hourly employees and approximately 70% of an additional 421 companies were providing free parking space for rank-and-file salaried employees.[1]

In 1957, the Life Office Management Association reported that ninety-one (55.5%) of 164 life insurance home offices—most of them in populated areas and staffed by office personnel—were providing off-street parking for employees' cars and that only about a third (twenty-eight) of the ninety-one companies were charging parking fees. The fees ranged from 25 cents a day to $15 a month, with $5 a month the most common fee charged by the insurance firms.

In this connection, the employee handbook of an insurance company located in a large Southern city contains the following information:

> "The company owns several parking lots near the main building and operates some of them for employee parking. You may rent a space in the lot most convenient for you. This space will carry your name plate and will be for your exclusive use."

Generally, however, when an employee is charged for using company parking facilities, it is for the convenience of an inside garage. The Taylor Instrument Companies of Rochester, New York (whose complete policy guide statements on employee parking are reproduced on page 27), provides free parking for employees assigned to spaces out of doors, but charges employees assigned to garage spaces an annual rental fee of $12.

Here are other examples of employees being required to pay for parking only when garage facilities are provided:

- A company in Indianapolis, Indiana, offers free parking on its regular lots. But, in addition, it has a limited number of brick garage spaces for which a small monthly rental is charged. Preference for these garage spaces is given to individuals of at least the division director level.
- A company in Los Angeles, California, states in its policy and procedure manual: "Employees may park their cars in a company-owned but privately operated inside auto park. Charges are $7.50 per month, currently."
- The employees' association of a Midwestern manufacturer rents garages to the workers at a monthly rate of $1 for garages without doors, or $2.50 for garages with doors.

A company that provides free parking for its employees in a suburban area is likely to discontinue the practice if it moves into an area where space is expensive. Recently, for example, an insurance company transferred its operations from the suburbs (where it had maintained free parking lots) into the center of a large city. Its buildings at the new location included a three-level garage. Management of this garage was turned over to a professional garage management organization for rental to the public.

For the first few months, arrangements were made with the garage organization to give free parking to all of the company's employees who drove to work. But, after that, the employees had to pay for garage space on the same basis as other parkers.

The fact that most of the employees were using public transportation at the new location, the company explained, would have the unfair effect of making free parking a subsidy for the relatively few who were still coming to work in their own cars.

Service for Parked Cars

At a recently built plant, the company provided room on the parking lot for a commercially operated service station. Other companies with parking areas have arranged for a neighboring service station to pick up the cars of employees in the morning, service them during working hours, and return them in the evening, in time for the employees to drive home. The owner of the service station, in return for the volume business, can be expected to do reliable work and to keep his prices reasonable. Included among the services performed on this one-day basis are: lubricating, washing, and winterizing cars; rotating tires and fixing flats; aligning front wheels; adjusting brakes; charging or changing batteries; tuning up motors; making minor repairs; or giving estimates on major repairs.

At S. C. Johnson & Son an employee can have his car washed, polished or waxed at the company garage if the company car washer is not busy with company cars. Appointments must be made in advance and the company charges a nominal fee for this service.

A chemical firm has installed a phone in the parking area for the convenience of car pool drivers and riders.

Certain emergency services are occasionally provided as a regular feature of company parking facilities. At General Electric's Schenectady works, a magnetic sweeper is driven over the parking areas and roadway approaches periodically to remove chips, nails, spikes and other ferrous substances. As a further service, company guards make periodic rounds of the parking lots; and when they discover a car with lights on, motor

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[1] "Personnel Practices in Factory and Office," *Studies in Personnel Policy*, No. 145, Tables 134 and 308. Practices as related to hourly and salaried workers are reported separately in this study.

Policy Guide of Taylor Instruments Corporation

Policy It is the policy of the company to provide, subject to certain limitations:

1. A number of garages on a rental basis;
2. A limited number of parking spaces on an assignment basis;
3. General parking facilities on a permissive basis;
4. A limited area for visitors, vendors, etc.

Intent and Purpose The policy with regard to the use of facilities provided by the company for parking or garaging of cars is extended to all employees who use their personal automobiles as a regular means of transportation to and from the Rochester plant. The policy also applies to visitors. It is not intended to apply to those employees who use their personal automobiles only occasionally in getting to and from work.

Administration 1. Waiting list priorities

Upon request, names will be added to the list at any time. Length of continuous service will be the controlling factor in determining position on the waiting list and in working out assignments. The system will operate in such a manner that an assignment, once made, will not, unless conditions change, be cancelled.

2. Facilities in order of assignment

a. Garage assignments ($12 annual rental fee)
b. Inside parking space assignment (no charge to occupant)
c. Access to West Avenue parking area (includes Hague Street lot—no charge to occupant).

Note: Suitable identification markers are issued for the respective facilities.

3. Duration of assignment

Except as future manufacturing or operating necessities may require, assignments, including present garage or inside parking space assignments, will not be disturbed for other than the purpose of improving location. Under such circumstances, anyone affected would be given prior consideration for reassignment at the first opportunity.

4. Driving pools

Where such arrangements exist, any space or area assignments will be made in the name of the driver in the pool qualifying by greatest length of service. Should such a driving pool arrangement be broken, members of the pool will be considered for assignment according to their respective service records.

5. General parking areas

No specific space assignments will be made in these areas but identification markers will be issued giving access to the area. Only cars having such identification will be permitted in the area indicated.

6. Visitors' parking area

Space has been reserved in the West Avenue parking area for visitors, vendors, etc., whose business brings them to the plant. The area has been clearly indicated, and is not available for use by employees.

7. Operation

The industrial relations department will be responsible for the operation of this assignment system.

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running, flat tire, etc., they notify the plant traffic manager who checks the employee's license number, locates him and notifies him to correct the trouble.

Other companies keep vehicles on the lot to clear away snow in the winter, to tow away cars that break down, or to furnish booster service for dead batteries. During the war, when tires were hard to get, some companies loaned tires to employees while their worn-out ones were being recapped.

Putting Parking Lots to Use During Off Hours

Relatively few companies operate their plants around the clock. In most cases, the employees are off and the parking lots empty during evening hours and over week ends.

Offering the space to others during these off hours is a gesture to promote good will in crowded communities where finding a place to park is always a problem. On Sunday mornings, for example, a few companies make their parking lots available for the use of townspeople attending church.

Other civic-minded companies let children play in their parking lots when the lots are not occupied by the cars of employees. For example, the Esterbrook Pen Company in Camden, New Jersey, for some time turned its parking lot into a playground for neighborhood children from six to eight-thirty every weekday evening throughout the summer months. The children's parents, assisted by Esterbrook volunteers, provided adult supervision; the company furnished all the play equipment, including balls, bats, swings and sand boxes.

Finally, company parking lots are occasionally used during off hours to benefit the employees, themselves. In Indianapolis, Indiana, for example, the big event of the year is the speedway race that is held there on Memorial Day. That day, race enthusiasts from all over the country converge on Indianapolis. Anyone driving to the event has great difficulty finding a convenient place to park—unless he works for the Allison Division of General Motors Corporation.

One of Allison's parking lots is close to the speedway grounds. Allison employees going to the race are not only allowed to park in this lot, but the company also arranges with state and local police officials to permit them to get to the lot from downtown Indianapolis by a special emergency route. They establish their authority to use this route by identifying themselves to the police as Allison employees.

J. ROGER O'MEARA
Division of Personnel Administration

Management Bookshelf

The New Science of Management Decision—In delivering the 1960 series of Ford Distinguished Lectures, upon which this book is based, the author explored research in human decision-making processes, particularly research involving attempts to simulate those processes with electronic computer programs.

He reported experiments in which human subjects were presented with problems and asked to record on tape all their thoughts as they attempted to find solutions. The process usually followed three related stages: defining the problem, seeking solutions, and selecting the best. Often the problem was subdivided into successively simpler components until one simple enough to be solved was found. Then the next more complex problem was attacked. And, while undoubtedly the thought processes reported by subjects did not account for all the mental activity that was taking place, no evidence was found that indicated that subconscious processes in any way differed from those of which the subjects were aware.

Several computer programs have been developed that solve generalized problems in this same fashion, he said. Programs have even been written to apply these processes to modifying and improving their own performance; the computers "learn from experience."

In the final lecture of the series, the author considered the implications of this research for the emergence of man-machine systems for managing. He stated that many decisions now made by lower- and middle-level managers are already "programmed" by organizational relationships, standard operating procedures, and similar guides and restraints upon human decisions. The possibility of designing more effective systems by incorporating the vast speed of electronic computers into a man-machine complex will not alter either the structure or responsibility relationships of organizations. But the relationships among the men in the system will probably change, he believes, for the satisfactions gained from greater professional competence and greater teamwork in an atmosphere in which the need to exert authority has diminished should make for more stimulating and warmer human relationships. *By Herbert A. Simon, Harper and Brothers, New York, New York, 1960, 50 pp., $2.50.*

Medical Forms and Procedures for Industry—The author of this book is the medical director of the Douglas Aircraft Company and has devoted thirty-two years to the practice of industrial medicine. Scores of forms are reproduced throughout the volume. The explanatory text and discussion have been kept to a minimum.

The need of an industrial physician for good forms and records is established early in the book when the author says, ". . . they [doctors] are practicing medicine in a goldfish bowl and may have to answer to officials of the company, union representatives, insurance agents, lawyers, the Industrial Accident Commission and a host of others." *By H. L. Herschensohn, M.D., Charles C. Thomas, 301 East Lawrence Avenue, Springfield, Illinois, 192 pp., 1961, $8.50.*

Managers for Small Industry—An International Study: In the economically underdeveloped countries, writes the author, raw materials are in no cases "fully exploited. Technology and capital can be imported, and the labor supply is often overabundant. But the growth of managerial skills has not kept pace with aspirations for industrial growth."

Designed for potential investors, technical assistance personnel and others concerned with industrial development, the study discusses practical approaches to locating, recruiting and training managerial personnel. The countries most completely discussed are the Republic of China, Indonesia, Burma and India. *By Joseph E. Stepanek, Stanford Research Institute, Published by The Free Press, Glencoe, Illinois, 1960, 245 pp., $6.*

Organizing the Public Relations Staff—Appendix[1]

Monsanto Chemical Company

A large company producing chemicals and chemical products. The company is divisionally organized; however, public relations activities are centralized.

Director of the Public Relations Department

The director of the public relations department is responsible to the president. All members of the public relations staff, wherever located, are responsible to the director of public relations. Members of the public relations staff assigned to work with divisions have a primary responsibility to the director of public relations and a secondary responsibility to the division general manager.

The director of the public relations department shall:

a. Be responsible for furnishing factual information on Monsanto, within the bounds of the company's security policy, to all public information outlets. He shall clear all material with pertinent divisions and departments and, additionally, make such factual information available to employees promptly by use of proper internal media.

b. Edit and publish *Monsanto Magazine*.

c. Provide press, radio and TV product publicity service for the divisions and for the corporation, working in coordination with marketing plans.

d. Assist the president and other members of the executive committee in the planning and formulation of special communications, speeches and letters.

e. Keep the president, as the chief public relations officer of the company, informed on matters of public opinion concerning Monsanto.

f. Acquire information for and produce shareowner publications, such as the annual report and review, quarterly statements and dividend stuffers. He also shall be responsible for planning the annual meeting of shareowners.

g. Provide assistance and counsel in designated areas of employee communications and community relations.

h. Be responsible for acquiring, clearing and distributing photographs and shall maintain an up-to-date file of photos.

i. Produce and distribute corporate and multidivisional motion pictures.

A Large Diversified Company

A large company producing primarily automotive parts, transport equipment, and refrigerating equipment. The company is divisionally organized and decentralizes many public relations activities.

Director of Public Relations

Reports to: The chairman of the board and chief executive officer

Purpose of the Position

To assure that the corporation and its policies, procedures, and products are adequately interpreted and suitably presented to the general public.

To present to the press information about the corporation and its respective divisions which will increase public knowledge and understanding of the corporation through continued identification of the corporation's policies and operations with the public interest.

Duties and Responsibilities

Within the limits of his approved program and the policies and procedures of the corporation, the director of public relations is responsible for the fulfillment of the duties set forth below:

A. PLANNING

He will develop long-range plans for increasing the effectiveness of the corporation's public relations activities. These plans, when approved by the chairman of the board and chief executive officer and combined with the latter's plans for the corporation as a whole, will constitute the operating program of the department.

B. ORGANIZATION

He will prepare and submit the department's annual budget and any revisions thereof to the chairman of the board and chief executive officer for approval. He will administer within his department the personnel policies established for the central office and recommend to the chairman of the board and chief executive officer changes in the structure and complement of the department.

C. OPERATIONS

In his dual capacity as a staff member of management and a central office departmental executive, the director of public relations will:

1. *General*—Assume responsibility for the day-to-day operations and results of the public relations department.
   a. Formulate, or recommend for approval, and then administer policies, and establish and administer procedures covering the work of the public relations department.
   b. Act in an advisory capacity to the central office and division executives on matters pertaining to public and press relations, thus facilitating the formulation of policy and the determination of management decisions.
   c. Undertake special assignments in the areas of public and press relations for the central office and division management.
   d. Establish and maintain the necessary standards of performance to assure that the activities of the department are carried on effectively and economically.

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[1] This appendix supplements the article beginning on page 11.

2. *Press Relations*—Prepare and issue news releases concerning corporate activities to newspapers, magazines, and radio and television outlets. Answer requests from the press for information about the corporation. Assist the divisions in their local press relations.
3. *Promotion*—Initiate and/or execute various promotional activities on behalf of the corporation such as:
   a. Preparation of printed literature concerning the corporation;
   b. Develop, supervise, or assist in activities promoting the name and interest of the corporation and its divisions.
4. *Internal Relations*—Counsel with the central office executives and with division presidents on the development of internal policies that are in the public interest.
5. *Shareholder Services*—Work toward closer relationships with financial institutions including banks, trust companies, insurance companies, pension funds, and brokers, who are, or might become, important owners of stock in the corporation by:
   a. Assisting in the preparation of annual and interim reports and other communications.
   b. Assisting in the organization of meetings between members of management and representatives of appropriate financial groups.
   c. Providing counsel on the preparation and placing of financial advertising.
6. *Community and Plant Relations*—Counsel with the divisions on the conduct of local public relations. Assist the divisions in the planning and execution of open house and plant tours.
7. *Information*—Respond to requests from other companies, the shareholders and the public for information about the corporation, its personnel and its products—within the limits of the authority granted to him. Keep the chairman of the board and chief executive officer informed of important developments in the day's business news; and call the attention of other central office and division executives to news events that is of particular interest to them.
8. *Special Activities*—Undertake additional duties not necessarily related to the other activities of the public relations department. Among them are the following:
   a. Assist the chairman of the board and the chief executive officer in the preparation of reports, letters and speeches.
   b. Conduct interviews with writers.
   c. Arrange and supervise special activities such as receptions for guests of the corporation, social events at conventions, etc.

Authority

As a staff member of management, the director of public relations will exercise no direct authority over divisional operations or corporate personnel except for the staff department reporting to him.

Relations

The director of public relations will establish and maintain the following relationships and be accountable to the chairman of the board and chief executive officer for their proper observance.

A. With the Chairman of the Board and Chief Executive Officer

He will review his major activities and plans with the chairman of the board and chief executive officer to insure that he has the benefit of the chairman's thinking and is acting in conformity with the chairman's views on corporate policy.

He will keep the chairman currently informed of all significant developments by such procedures as may be established.

He will refer promptly to the chairman all matters which may require the chairman's decision.

He will recommend to the chairman indicated changes in established policy affecting the public and press relations of the corporation or the operations of his department.

B. With the Group Vice-Presidents

He will keep the respective group vice-presidents informed of the major plans and activities of the public relations department which affect their individual operations or research divisions.

C. With Other Central Office Executives

He will coordinate his efforts with those of the central office executives toward the goals of the corporation; stand ready at all times to render them advice and assistance and call on them for such advice and assistance as he deems advisable.

D. With the Division Presidents

He will coordinate the efforts of the department so that maximum aid can be rendered to the operating and research divisions without impairing the policy of decentralization under which the divisions function.

He will keep the division presidents informed of the plans and activities of the public relations department which affect their respective divisions.

E. With Members of the Public Relations Department

He may delegate to members of the department appropriate portions of his responsibilities and corresponding authority for their fulfillment, but he may not delegate his over-all responsibility for results or any portion of his accountability.

F. With Committees

He will participate in such committees as the chairman may direct and assist in the development of decisions as requested by the chairman, or the chairman's appointees.

G. With Representatives of the Press

He will establish such relationships with representatives of newspapers, magazines, trade publications, and radio and television news outlets as are necessary to the fulfillment of his functions.

H. With Shareholders of the Corporation

He will establish and maintain such relationships with the shareholders of the corporation as the chairman of the board and chief executive officer may direct for purposes of maintaining sound relationships, understanding and communications between management and the owners of the corporation.

I. WITH PERSONS OUTSIDE THE CORPORATION

He will establish such relationships as he or the chairman deems advisable, with representatives of other companies, associations, and the public.

Standard for Measuring Performance

The director of public relations is accountable for the fulfillment of the responsibilities and relationships described herein. The primary measurements of satisfactory performance are as follows:

A. The extent to which the public relations department achieves public understanding and support for the corporation and its divisions.

B. The extent to which the policies and operations of the corporation are identified with the public interest via news outlets.

C. The degree of success achieved by the department in preventing the occurrence of situations within the corporation which would lead to unfavorable publicity and poor internal and external relations.

D. The value of the public and press relations assistance rendered to the chairman of the board and chief executive officer.

E. The soundness of the policies and procedures recommended to the chairman of the board and chief executive officer.

F. The quality, quantity, timeliness and continuity of guidance rendered to the operating and research divisions.

G. The quality and timeliness of the suggestions given to the central office executives.

H. The extent to which the services of the department are requested by those in a position to benefit the corporation thereby.

I. The cordiality of relations which exist between the public relations department and other units, both within and without the corporation.

J. The example of good management, high morale, personal conduct, and effective teamwork evidenced by the director of public relations in his contacts with members of the corporation and others.

K. The extent to which the department carries out its share of the corporation's public and employee responsibilities.

The Case of the Piggyback Promotions

Mr. Brown, now 34, has had a number of promotions in his company. Three occurred during the last five years after Mr. Jones took notice of his work. Now as Mr. Jones moves upward, it seems that Mr. Brown always moves upward with him. Employees in the company say that Mr. Brown is riding Mr. Jones' coat tails. One worker spoke slightingly of Mr. B's "piggyback promotions." The alliteration took hold.

Although the personnel director had heard the comments that were being passed around, he decided to ignore them until such time as he could deal with them in some constructive way. An opportunity presented itself when Mr. Smith, another employee, requested an interview with him "on a personal matter."

The interview had scarcely begun when Mr. Smith charged that the company was playing favorites. Asked to elaborate, he mentioned the case of Mr. Brown. The personnel director waited until Mr. Smith had talked himself out, and then replied: "I agree with you that Mr. Brown has done very well with us. Just the other day I had occasion to review his record. He has been with the company for twelve years now. His first job was in the accounting department, and it wasn't much of a job. But Mr. Brown tackled it as if it were an important job and he did it well. He was tried on a more difficult assignment and he did that just as well. He was advanced regularly and became one of our supervisors after he had been with the company for just four years.

"The record showed this interesting fact: Mr. Brown progressed faster before joining Mr. Jones' division than he has since. This suggests to me that others probably think as highly of Mr. Brown's work as Mr. Jones seems to.

"I've heard talk about Mr. Brown's piggyback promotions. The inference is that he is being 'carried' along and that the promotions are not based on merit. In this case, at least, I'm convinced they are. Perhaps they're not always—but our company tries hard to be fair.

"Now here's another consideration. Most people seem to feel that piggyback promotions are all gravy. It sounds pleasant, like a free ride to bigger and better things. But there's the other side. Here are some questions I ask myself: What happens if you get carried to a high position and can't perform? How long can someone shield you if you don't have what it takes? And where do you come out if your sponsor runs into trouble or leaves for a job in another company?"

The personnel director had other discussions with Mr. Smith and with other employees along similar lines. Over the months it seemed that his thinking was communicated rather widely throughout the company. At any rate, charges of favoritism were heard less and less frequently as time went on.—S.H.

Briefs on

PERSONNEL PRACTICES

Fringes Round the World

In every corner of the globe, employee benefits have become a permanent and significant labor expense. For example, they add an extra 74% to total hourly wage costs in Italy, an extra 44% in Japan. In the United States, by comparison, fringe benefits increase hourly labor costs by an average of about 20%. These ratios are not precise measures; problems of definition and accounting procedure make comparisons between nations difficult. Still they suggest the general magnitude of the fringe-cost dimension.

Wide international variations also appear in the make-up of the fringe package. In France and Italy, for example, family allowances represent a large share of employee benefit payments. In the United States, on the other hand, the major portion of fringe payments is for time-off-with-pay benefits, and pension and insurance programs.

Details on pay comparisons between major industrialized nations and other measurements of the relative performance of American business in the world market place are reported in "The New Competition: International Comparisons," a chart survey prepared for the forty-fifth Annual Meeting of THE CONFERENCE BOARD.

Trial Move

This September, some 190 IBM employees—about one-seventh of the company's New York City corporate headquarters executive staff—will work in Westchester County for several months to determine whether the company's headquarters can operate effectively in a suburban location. The group will occupy offices in the new Thomas J. Watson Research Center at Yorktown and will be compensated for added travel time and expense.

At the end of the trial move, the company's entire headquarters will either stay in the city or be moved permanently to the suburbs. Should the decision be for a move to the suburbs, IBM would maintain only sales offices, a district office, and regional headquarters in New York City.

During the last three years, four division headquarters of IBM have been relocated in Westchester County and, according to the company, most of the transferred employees have found the new suburban locations highly satisfactory.

Music Scholarships

The Georgia Power Company in Atlanta, Georgia, sponsors an annual music scholarship contest for young musicians between the ages of twelve and twenty. Entries are confined to orchestral instruments. In the competition, conducted by the Georgia Federation of Music Clubs, the company awards seven scholarships that enable the winners to study, during the summer months, at the famous Transylvania Music Camp at Brevard, North Carolina. Each scholarship is worth $350.

Who's Beefing?

The employees' club of the Humble Oil & Refining Company in Baytown, Texas, holds an annual outdoor barbecue with food provided by an outside caterer. Each barbecue plate contains three-quarters of a pound of boneless beef and the trimmings, and each club member is entitled to two free plates—a plate for himself and a plate for one guest. But he must pay for the serving of additional guests.

This year's barbecue was held on May 13, and the sale of tickets got under way on April 3. Any tickets purchased between that date and May 5 were priced at 50 cents for dependents and $1.25 for guest tickets. No tickets were sold between May 6 and May 12, giving the club directors an opportunity to give the caterer a reasonably accurate account of the number of plates to be provided. Tickets were again put on sale the day of the barbecue at a price of $1.50 for each ticket.

The $1.25 price represented what the club had contracted to pay the caterer for each plate. By encouraging the prompt purchase of tickets through its buy-early-and-save approach, the club was able to establish a guaranteed minimum number of plates to be served by the caterer. The caterer in turn guaranteed to be able to serve a 10% overflow crowd if needed.

Going Formal

With business getting more and more complicated, there has been a steady growth in the number of report forms that companies need in order to operate efficiently. A recent count at General Foods disclosed more than 8,000 forms in use throughout the company. The forms, moreover, keep changing all the time. During an average month, for example, the forms control unit at General Foods headquarters in White Plains, New York, designs about fifty new forms and revises about thirty-five of the forms that are already in use.

Behind Every Man . . .

Recognizing that an employee's family—and, especially, his wife—can inspire and encourage him to work efficiently and safely, the Union Electric Company gives special awards to the wives of the men in each work group that achieves a fourth consecutive safety award. The department head sends each wife (or other family member, should a man in the group not be married) a letter in which he explains that the company would like to show its gratitude for the contribution she has made to the reduction of accidents on the job.

Enclosed with the letter is a booklet that describes fifteen award selections, including personal gifts for men and women, small household items, and recreation and hobby equipment. The employee's wife, who is allowed sixty days to make up her mind, checks the gift of her choice on a card and mails it to the company. Then she receives her gift from a gift selection service.

Pensions for Fishermen

A new contributory pension plan will provide retirement benefits at age sixty-five for 6,000 trawl fishermen who serve on the fleets sailing out of the English ports of Grimsby and Hull, according to the Industrial Welfare Society of London. The plan has been set up by the British Trawlers' Federation, with full union cooperation. It calls for a contribution—in addition to the contributions required under the national insurance plan—of 9 pence (the equivalent of about 10 cents in American money) from both employer and employee for each day a covered employee works or has earned a paid holiday. Pension rights are computed on the basis of length of service and days worked. Covered employees who join the plan at age eighteen and work as fishermen until age sixty-five will receive a weekly pension of £7 (the equivalent of $19.46)—nearly four times what the national plan would pay them. If they leave the fishing industry before reaching age sixty-five, they will normally retain the pension benefits accumulated up to the date of departure.

A $56,031 Suggestion Award

Record suggestion awards seem to be coming up like spring blossoms at the International Business Machines Corporation. News of an IBM employee getting a $32,000 award (perhaps the largest ever made to an individual in industry) was still fresh when the company announced a new record-setting award of $56,031.

This $56,031 award—believed to be the largest ever made through an employee suggestion program—is being shared by two technicians at the IBM plant in Poughkeepsie, New York. A joint suggestion of theirs resulted in the elimination of fourteen printed circuit cards from a magnetic tape unit produced by the company.

During the last decade, IBM employees have won more than $5.5 million in suggestion awards. If an award exceeds $25,000, it is paid in two installments—50% on adoption and the rest (including any annual reappraisal increase) during the following year.

Time Off for Constitutional Revision

To stimulate employee participation in politics, the Ford Motor Company has announced that it will grant a leave of absence without pay to any salaried employee who wins election as a delegate to the Michigan state constitutional convention. The leave will be for the length of time the employee serves or for one year, whichever is less; but should the convention last longer than a year, he may have his leave extended for the remainder of his term as a delegate. When his term ends, he will be assigned to his former position and salary, or to a position with equal salary.

This plan is an addition to the leave program the company previously established for salaried employees appointed or elected to full-time public office. Employees granted such leaves must apply for reemployment within thirty days of leaving public office.

Ford's labor agreement with the United Auto Workers, AFL-CIO, already provides leaves of absence for hourly employees who have been elected or selected for public office.—J. R. O'M.

Labor Press Highlights

AFL-CIO Unions Launch Organizing Drives

AFL-CIO affiliates are presently answering the federation's call to renew their drives to organize the unorganized.[1]

To attain the best results, many are regrouping their international representatives, adding more organizers to their staffs, and utilizing local union members.

The *UIU Journal* states that the executive board of the Upholsterers' International Union has approved a division of its field staff so as to serve two separate functions. One group has been assigned to work exclusively on organization under the direction of a vice-president, and the remainder of the staff has been charged with providing services to the local unions and members.

The International Union of Electrical Workers has hired and trained twenty additional organizers to assist in its new campaign. Al Hartnett, IUE secretary-treasurer, is reported to be seeking approval from the union's executive board to hire still more.

Local union members will be expected to help, says the *IUE News,* by distributing union leaflets, making house calls, attending organization meetings, and by making contacts with potential members.

The organizing efforts of the International Chemical Workers' Union have been given a boost by the establishment of the union's Delaware Valley Staff Training and Organizing Project, declares the International *Chemical Worker,* the union's monthly. The students, who include both veteran staff and inexperienced "rookie organizers," receive four weeks of intensive class and field work in the art of organizing. The institute recently graduated its second class of thirteen organizers.

Other internationals, lacking a sufficient staff of organizers, are relying more heavily on their locals to help conduct campaigns. Representative of such unions is the 59,000-member International Brotherhood of Bookbinders. Its president, Joseph Denny, has urged each local union to create an organizing committee whose main purpose would be to contact key nonunion workers. Having made this contact, the local union would then call in an international representative to conduct the campaign.

Some of the unions have gone beyond the planning stage and have already embarked on their organizing drives. Steelworker District Director Al Whitehouse says that his union is seeking to recruit 30,000 workers in the Cincinnati and Dayton area. Selection of this geographical area for the drive reflects the Steelworkers' belief that it is "the bulwark of reactionary conservatism. . . ."

The International Union of Electrical Workers, AFL-CIO, also reports that its organization campaign is in high gear. According to the *IUE News,* its organizers are currently conducting campaigns in more than 150 shops throughout the country.

IAM Discourages Moonlighting

In an effort to protect existing job conditions and provide openings for other workers, A. J. Hayes, president of the International Association of Machinists has urged members of his union to avoid "moonlighting"—that is, the practice of working on two jobs.

Today, the United States is plagued by a high level of chronic unemployment, declares the union leader in an article appearing in *The Machinist.* This unemployment, aggravated by automation, will "probably grow worse in the foreseeable future."

The union president finds that if the problem is to be solved, a more equitable distribution of both leisure and work opportunities among all members of the work force must be guaranteed. Towards this end, the IAM is urging its locals to press for a thirty-five-hour week in forthcoming bargaining sessions.

However, the benefits of the shorter workweek could be partially nullified by the practice of moonlighting. Even now, with the forty-hour workweek, which was designed to spread work and give all workers an opportunity to relax, some are using the new-found leisure time to hold down additional jobs. Indeed, many of these workers, while earning union wages on their regular jobs, accept lower wages for their second and even third jobs, notes Mr. Hayes.

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[1] At its winter meeting, the federation's executive council laid down a broad plan for organizing that included the following steps:
- Establishment of a permanent committee on organization.
- Periodic meetings of the AFL-CIO general board for organizational review and discussions.
- Organizational assistance for all affiliates from the federation's Department of Organization.
- A pledge to work with all affiliates to develop joint cooperative and coordinated organizational projects, including working out of specific targets.

With the attainment of labor's goal of a thirty-five-hour workweek, the IAM leaders fear there may be an intensification of moonlighting and its consequent undercutting of job conditions and opportunities for other workers.

Steelworkers Accused of Raiding

"A disgrace to the labor movement" are the words used by John Clark, president of the 100,000-member independent International Union of Mine, Mill and Smelter Workers, to describe the twelve-year raiding campaign waged against his union by the Steelworkers.

In an article in *Mine-Mill Union,* official union publication, Mr. Clark accused members of the Steelworker staff of offering "special financial inducements" to Mine-Mill officials to "seduce them away from Mine-Mill to the United Steelworkers of America." These inducements include offers of salaries higher than those paid to regular Steelworker Staff members and "extremely generous" expense, mileage and per diem allowances.

Moreover, the union newspaper claims that there is "evidence" of "direct payments of cash" by Steelworker agents to Mine-Mill people in order to "obtain, surreptitiously, Mine-Mill membership and mailing lists."

The independent union's journal also says it has evidence that "in NLRB election campaigns involving our two organizations, [Steelworker] staff members have bought . . . votes of the workers."

Calling to mind "that Mine-Mill was one of the unions which contributed substantial amounts of money to help the [Steelworker union] get off the ground and organize the steel industry in the 1930's," President Clark asks the Steelworkers to stop "wasting money" and abandon attempts to take over the jurisdiction "which Mine-Mill has had in the nonferrous industry for almost seventy years."

Lithographers' "Wise" Workweek Policy

The current attempts of the Steelworkers and Auto Workers to increase employment by reducing the workweek would have been more successful, comments Kenneth Brown, president of the independent Amalgamated Lithographers of America, "had they consistently applied pressure over the years in negotiations for less working hours as [the ALA] has wisely done."

Through the years, Lithographer policy has been to develop job security and stability through the adoption of a shorter workweek, says Mr. Brown in a recent issue of *The Lithographers' Journal.* Resolutions endorsing reduction of hours without a drop in take-home pay were adopted at union conventions. This policy was then successfully translated into contract language at the bargaining table.

The lithographers now work a thirty-five-hour week. The shorter workweek, declares the union magazine, has preserved the balance between market requirements, productive capacity and the number of working lithographers needed to meet demands of the industry. This progressive policy, coupled with apprenticeship ratios and standards, concludes Mr. Brown, have kept unemployment within the industry to a minimum.

NMU and Seafarers Terminate Relationships

Because of the growing hostility between the two organizations, President Joseph Curran of the National Maritime Union has terminated all NMU "affiliations which required direct association with [the Seafarers' International Union]."[1]

The action taken by NMU includes:

- Dissolving the International Maritime Workers' Union. This union had been jointly established in 1959 to conduct organizational drives on American-controlled ships of foreign registry.
- Notifying AFL-CIO President George Meany that the union was withdrawing its signature from the AFL-CIO no-raiding agreement. The *NMU Pilot* points out that the Seafarers' union has never signed the agreement.
- Withdrawing from the AFL-CIO Maritime Trades Department. This move was undertaken because the NMU felt that the department had become "a rubber stamp for SIU President Hall's policies."

At the same time, Mr. Curran has reestablished the Licensed Officers' Division, which will attempt to organize those officers on American ships who have not been organized "by the established officers' union."

Further, Mr. Curran guaranteed that the National Maritime Union would "respect the rights of the officers' union"—the Masters, Mates, and Pilots and the Marine Engineers. However he pleaded with the rank and file of these unions to "stand up and tell their leadership to stop letting their unions be used by SIU in its war against NMU."

JOHN J. MCKEW
Division of Personnel Administration

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[1] For reasons leading to the disagreement, see "NMU-Seafarer Feud On Again?" *Management Record,* April, 1961, p. 30.

Wage and Fringe Developments in Bargaining

Two recent contracts in the rubber industry provide for separate rates for tire and nontire workers. Also, supplemental unemployment benefits are extended

On at least two counts, bargaining this year in the rubber industry has taken on new dimensions. Goodyear Tire and Rubber Company, first of the Big Four to reach an agreement with the Rubber Workers' Union, has achieved what reportedly has long been sought by major tire companies—the right to bargain on separate rates for tire and nontire production employees. While the Goodyear contract follows traditional industry practice by postponing wage negotiations until a later date, it was promptly followed by another agreement, at Firestone Tire and Rubber Company, which immediately puts into practice the separate wage consideration envisioned in the Goodyear agreement. Thus, it appears that from now on, a wage adjustment for employees in tire plants may not necessarily result in the same adjustment for employees in plants producing footwear and molded or extruded rubber products.

Secondly, the Firestone agreement is significant in that it is the first in which a major rubber company and the union have negotiated a two-year agreement on both wages and working conditions. Under the terms of the wage agreement, a 7½-cent hourly raise is given to workers at the company's tire plants and a 3½-cent boost is granted to employees at industrial products plants. Effective June 11, 1962, the agreement offers a 7-cent hourly wage increase to tire plants workers and a 4-cent advance to those at nontire plants.

Both contracts offer a number of liberalized fringe benefits. Perhaps the most notable is the revised supplemental unemployment benefits plan, which extends benefit payments to laid-off employees when the number of weeks of unemployment benefit payments is increased either by a change in the state law, by a "triggering" clause, or by temporary extension under federal Temporary Emergency Unemployment Compensation. The maximum number of weeks payable is thirty-nine, and in no event do weeks of supplemental unemployment benefit payments exceed the number payable under the state system.

In addition, maximum benefit payments are increased by $5 per week to $35 per week when state unemployment compensation payments are received and for weeks after the twenty-sixth week regardless of state payments. The maximum payment during the first twenty-six weeks when unemployment compensation is not received is increased to $57 a week. Dependent's allowance of $2 each for up to four dependents remains unchanged.

The new SUB agreement in both the Firestone and Goodyear contracts also includes an optional separation award for employees with five or more years' service (1) who are laid off for at least two years, or (2) whose prospect for reemployment, as determined by the company, is considered unlikely. The separation award, payable in a lump sum, ranges from 2% to 3% of the employee's total earnings, depending on years of credited service. But any SUB payments the employee received during layoff will be deducted from his total credits.

If the SUB fund falls below 80% of maximum funding, separation payments will no longer be withdrawn from it; instead, they will be paid directly by the company. According to terms of the agreement, employees on layoff who elect to take the separation award forfeit all seniority, pension and insurance rights.

The two contracts also modify the status of automated jobs—a major objective of the union. Automated jobs are to remain in the bargaining unit, but only the Goodyear contract makes reference to rate determination for automated jobs. In setting these rates, Goodyear will give consideration to prior earnings levels. There is no such reference in the Firestone contract.

Other contract changes include an eighth paid holiday, funeral leave pay, and reduction of service requirement for four weeks' vacation from twenty-five to twenty-two years.

The contracts cover some 20,000 employees at eleven Goodyear plants and about 16,000 at eight Firestone plants.

Automation Results in Special Termination Pay

In the contract between the Realty Advisory Board on Labor Relations and the Building Service Employees

(Text continued on page 39)

Significant Pay Settlements

Company, Union[1] and Duration of Contract	Pay Adjustments	Fringe Adjustments
DURABLE MANUFACTURING		
Avco Corporation (Lycoming Division) with *UAW* at Stratford, Connecticut. 3,200 clerical, echnical and production workers Retroactive to 3-27-61 and 4-1-61. Contract expired New contract: 3 years	6¢ general increase. Night-shift premiums frozen at 10% of base rates prior to increase Deferred increase: Additional 6¢ each year—1962, 1963. Possible cost-of-living increase, limited to 3¢, in 3rd year	Added: Up to 10 days' paid military leave; up to 3 days' paid funeral leave; and unpaid leave for one term for employees elected to public office Revised: Group insurance plan provides additional accident, sickness and hospital benefits
California Metal Trades Association with *IAM* in San Francisco Bay area, California. 6,000 hourly Retroactive to 4-19-61. Contract expired New contract: 2 years	6¢ to 10¢ per hour increase Deferred increase: 5¢ to 9¢ additional, effective 4-1-62. Cost-of-living escalator based on CPI with 3¢ ceiling, effective 10-1-62.	Revised: Health and welfare benefits
Cook Electric Company with *IAM* at Travis Air Force Base (Fairfield-Suison area), California. 330 hourly Retroactive to 3-20-61. First contract Contract expires: 2 years	10¢ per hour minimum increase (wage rates established and employees making less than IAM rates were brought up to these rates or given a raise of 10¢, whichever was greater); $1.65 minimum for janitors to $3 maximum for master mechanics Deferred increase: 10¢ effective 3-19-62	Revised: Sick pay (insured) providing benefit amounting to ¾ of regular pay from 1st day of an off-the-job injury or 8th day of illness ranging up to a year's pay after 10 years service; 4 hours' call-in pay and 2 hours cal back pay guaranteed
De Luxe Metal Furniture Company with *UE ind.* at Warren, Pennsylvania. 150 hourly Retroactive 3-31-61. Contract expired New contract: 2 years	5¢ per hour effective each year	Revised: Weekly sickness and accident benefit increased by $5; $1,000 (was $500) paid-up life insurance for employees on retirement
Fairchild Engine & Airplane Corporation (Fairchild Aircraft & Missiles Division) with *UAW* at Hagerstown, Maryland. 1,650 hourly Retroactive to 10-17-60. Contract expired New contract: 2 years	No general increase. Deferred increase: 4¢ per hour general increase effective 10-17-61	Revised: Pension plan retroactive to 1-1-6 providing monthly benefits of $2.25 (wer $1.75) for each year of service up to 30 fo present and future retirees; $75 (was $65 per month disability pension if ineligible fo Social Security and $2.25 per month for each year of service if eligible for Social Security vesting at age 45 after 10 years' service i terminated on or after 1-1-61 and early re tirement at age 60
Sargent & Company with *UE ind.* at New Haven, Conn. 800 hourly Retroactive to 3-17-61. Contract expired New contract: 1 year	6¢ per day for day workers; 6¢ added to expected incentive earnings, and guarantee of average earnings for incentive workers, provided they maintain at least the same level of production which they attained in August, September and October, 1960	Revised: Pension program
Spaulding Fibre Company, Inc. with *IAM* at Tonawanda, New York. 1,170 hourly Retroactive to 4-1-61. Contract expired New contract: 2 years	6¢ per hour increase Deferred increase: 6¢ effective 4-1-62	Revised: Minimum-maximum pension benefit
Tung-Sol Electric, Inc. (Chatham Electronics Division) with *IBEW* at Livingston, New Jersey. 600 hourly Effective 4-10-61. Contract expired New contract: 3 years	5¢ to 9¢ per hour increase Deferred increase: 4¢ to 8¢ additional, effective 10-62	Revised: Group insurance and holiday pro visions
NONDURABLE MANUFACTURING		
Annin and Company with *Textile Workers* (*UTWA*) at Verona, New Jersey. 180 hourly Retroactive to 1-26-61. Contract expired New contract: 2 years	5¢ per hour general increase each year of contract	No change
Children's Dress, Cotton Dress & Sportswear Contractors Association, Inc. with *ILGWU* at the New York area. 6,950 hourly Retroactive to 1-2-61. Contract expired New contract: 3 years	$3 per week increase for time workers, $6 for cutters, 5% for piece workers	Revised: 6½ (were 4½) paid holidays; com pany contribution to health and welfar fund increased to 5% (was 4½%), to 0.5% for severance pay plan, and to 2% for re tirement plan (total contribution for health welfare, retirement and severance now 7½%)

Significant Pay Settlements—continued

Company, Union[1] and Duration of Contract	Pay Adjustments	Fringe Adjustments
Firestone Tire & Rubber Company with *Rubber Workers* at Akron, O.; Des Moines, Ia.; Los Angeles, Cal.; Memphis, Tenn.; Pottstown, Pa.; Fall River, Mass.; and New Castle and Noblesville, Ind. 16,000 hourly Effective: 4-18-61. Contract expired New contract: 2 years	7.5¢ per hour general increase to tire production employees; 3.5¢ per hour general increase to nontire production employees Deferred increase: 7¢ an hour additional to employees at tire plants and 4¢ to employees at nontire plants, both effective 6-11-62	Added: 8th paid holiday Revised: SUB duration extended to 39-we maximum; $5 increase in maximum week SUB benefits; lump sum severance awar vacation schedule; funeral leave pay; j automation provisions; holiday falling du ing vacation to be additional paid holid off (formerly paid but not off)
The Goodyear Tire & Rubber Company with *Rubber Workers* at Akron and St. Marys, O.; Gadsden, Ala.; Los Angeles, Cal.; Jackson, Mich.; Muncie, Ind.; Lincoln, Neb.; Windsor, Vt.; New Bedford, Mass.; Topeka, Kansas; and North Chicago, Ill. 20,000 hourly Effective: 4-15-61. Contract expired. Wages to be negotiated upon 60-day written notice New contract: 2 years	Wages not at issue	Similar to changes at Firestone Tire & Rubb Co.
Lehn and Fink Products Corporation with *OCAW* in Bloomfield, New Jersey. 145 hourly Retroactive to 2-1-61. Contract expired	5¢ to 9¢ per hour increase	No change.
Mobil Oil Company with *OCAW* in Torrance, California. 1,000 hourly Retroactive to 1-4-61. Contract expired New contract: 1 year	14¢ per hour increase	No change
Ohio Rubber Company with *Rubber Workers* in Willoughby, O. 1,100 hourly Effective 1-20-61. Contract expired New contract: 2 years	6¢ per hour increase Deferred increase: 6¢ additional effective 1-62	Revised: Pension benefits; company assume increased hospital costs effective 2-1-61
Panhandle Eastern Pipe Line Company with *OCAW*. Nationwide. 1,108 hourly Effective 4-16-61. Reopening of an existing contract which is extended to 5-27-62 Next wage reopener: 10-16-61. No strike clause operative at wage reopener	2.8% increase	No change

NONMANUFACTURING

Company, Union[1] and Duration of Contract	Pay Adjustments	Fringe Adjustments
Bell Telephone Company of Pennsylvania with *Pennsylvania Telephone Union, ind.* and *IBEW*, 9,200 operating and clerical Effective 1-8-61. Contract expired New contract: 3 years; with wage reopenings after each 12-month period	$2 to $2.50 per week increase; $1 to $3 on minimums	Added: Company-paid major medical pla established effective 2-1-61 Revised: Additional adjustments; some local ities upgraded; uniform $1 per tour tem porary management replacement allowanc (was 60¢ and 80¢); vacation, pension an life insurance
Bell Telephone Laboratories Inc. with *Communications Workers* at Murray Hill and Whippany, N. J. and New York City. 1,637 weekly Effective 1-6-61. Contract expired New contract: 3 years with 2 wage reopeners at 12-month intervals	$2.50 to $4.50 per week increase	Added: Major medical plan Revised: Some individual classification ad justments; vacation and life insurance; an minimum pension
New York Council of Wholesale Meat Dealers, Inc. with *Meat Cutters* at New York. 4,000 hourly Retroactive to 1-1-61. Contract expired New contract expires 4-30-63	$7 per week increase retroactive to 1-9-61. Double time for Saturday work after 8 hours Deferred increase: $4 additional effective 4-1-62	Revised: 4 weeks' vacation after 20 years $1.25 additional per month company contribution to employees' health and welfare plus 25¢ additional to cover retired em ployees and their dependents; company contribution of 25¢ per week for severanc plan effective 1-1-61; 5 (was 3) days' paic sick leave; 3 days' paid funeral leave
Realty Advisory Board on Labor Relations, Inc. with *Building Service Employees* at New York City. 15,000 hourly employees in apartment houses Retroactive to 4-21-61. Contract expired New contract: 3 years	$3 per week increase Deferred increase: $2 effective 4-21-62; additional $2.50 effective 4-21-63	Revised: Company contribution of $132 pe employee (was $81) annually to RAB-32 Welfare Trust Fund to maintain presen benefits; additional contribution of $5 pe quarter, effective 4-21-63 to provide nev benefits in form of physicians' home and office visits; paid sick leave, benefits effective next year; termination pay benefits

Significant Pay Settlements—continued

ompany, Union[1] and Duration of Contract	Pay Adjustments	Fringe Adjustments
Shipbuilding & Dry Dock Co. with *lermakers* at Chester, Pa. 2,500 hourly etroactive to 1-61. Contract expired ew contract: 3 years	From 4.5¢ to 7.5¢ per hour general increase Deferred increase: 5.5¢ to 8.5¢ per hour additional 1-4-62 and again 1-4-63	Revised: Severance pay on permanent disability and retirement with at least 15 years' service; increased hospital-surgical benefits; paid-up hospital-surgical insurance for retired employee and spouse; employee option on retaining life insurance on retirement
Great Lakes shipping companies with *farers* in the Great Lakes area. 4,500 hourly etroactive to 3-1-61. Wage reopening in 2-ear contract expiring 6-15-61	4¢ per hour increase for unrated crewmen; 6¢ for rated crewmen	Revised: Health and welfare plan now provides $4,000 death benefit; 120 days' maximum hospitalization; $200 for hospital extras; $300 surgical benefits; $56 weekly sickness and accident benefits for a maximum of 26 weeks; fleet-wide transfer rights (by seniority) to avoid layoff when a ship goes out of service during the season

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l unions are affiliated with AFL-CIO unless otherwise indicated.

(Continued from page 36)

in New York City, elevator operators terminated as a result of the introduction of automated equipment are given a larger severance allowance than those who receive termination pay for other reasons (i.e., for physical or mental inability to perform the job, or for reduction in force due to economic conditions). In either case the contract grants termination pay on the basis of service, but where the layoff is created because of the changeover to automatic elevators, the allowance ranges from two to ten weeks' pay. Otherwise, it ranges from one to six weeks' pay. The schedule of termination allowances is as follows:

Length of Service (Years)	Termination Due to Disability or Economic Reasons	Termination Due to Conversion of Elevators to Automatic Operation
5 to 10	1 week	2 weeks
10 to 12	2 weeks	4 weeks
12 to 15	3 "	5 "
15 to 17	4 "	6 "
17 to 20	5 "	7 "
20 to 22	6 "	8 "
22 to 25	6 "	9 "
25 or more	6 "	10 "

In addition to the revised severance pay clause, the new contract increases employer contributions to the welfare fund by $51—from $81 to $132 per year per employee. This is done in order to maintain the benefits already established through use of the fund. An additional increase of $20 a year per covered employee will be contributed by employers effective April, 1963, to cover physicians' home and office visits which are now excluded.

Other contract changes include sick leave pay, effective in April, 1962, which will entitle the employee eligible for state disability benefits to receive disability payments from his employer during the usual waiting period.

There will be no reopenings in the three-year agreement. Wage rates are upped $3 per week for all employees working the standard forty-hour week. In 1962 a $2 weekly increase goes into effect; this will be followed in 1963 by another raise of $2.50. In each year contract minimums are raised correspondingly.

Retired Employees Get Severance Pay and Medical Plan

Included in the recent contract between the Sun Shipbuilding & Dry Dock Company and the Boilermakers' union is a provision for a severance allowance which is payable whenever an employee with at least fifteen years' service becomes physically unable to meet the requirements of his job, or whenever he voluntarily leaves the company after age sixty-five. The severance amount is geared to length of service and ranges from $800 for employees with fifteen years' service to $1,600 for those with twenty-five or more years' service.

For employees retiring under the severance plan, and for their wives, the new agreement also continues group health insurance coverage at company expense. Under the plan, the maximum benefit for hospital room and board is $18 a day during the first contract year, $19 a day during the second contract year, and $20 a day during the third. The maximum period of covered hospitalization for any one calendar year is fixed at thirty-one days.

In addition, the medical plan for retired employees grants benefit payments of up to $200 a year for miscellaneous hospital charges and up to $300 for surgical expense. Where surgery is not involved and where the patient is confined to the hospital, miscellaneous benefits are $4 a day for up to thirty-one days, or a total of $124 during any one calendar year. No benefits are payable for doctor's visits to the home or the patient's visits to the doctor's office.

The new contract makes provision for modifying the benefits under the medical plan if state or federal legislation should be enacted which duplicates any of the benefits set forth in the agreement. In this event, the company's obligation will be to provide benefits that will, when added to the benefits available under the state or federal law, equal the benefits set forth in the contract.

The new agreement also liberalizes the hospital-medical-surgical plan for active employees and their dependents. Other changes include an increase in wage rates ranging from 5.5 cents to 7.5 cents an hour the first year and from 5.5 cents to 8.5 cents an hour in each of the two remaining contract years.

N. BEATRICE WORTHY
Division of Personnel Administration

In the June Business Record

Report on Company Contributions—A comparison of the contributions made by 180 companies in 1953 and of those made by 282 companies in 1959 "reveals that education may replace health and welfare agencies as the principal recipient of business giving." About seven-tenths of 1% of pretax income was given to worthy causes by the firms in 1959. Tables and text indicate the amounts given and the causes favored.

Consumer Buying: Plans on the Rebound—"In the first quarter of 1961, consumer attitudes and buying plans demonstrated some lift, but were still somewhat under the influence of the recent low in economic activity." A preview of April trends leads to the conclusion that "consumer buying plans show unmistakable signs of reversing the declines of 1960."

Gearing Up for the "Hard Sell" (Survey of Business Opinion and Experience)—In the past several years, emphasis on the broader concept of marketing as contrasted with sales administration has increased, according to findings of the Board's current survey. At the same time, many companies have geared up for a "harder-hitting, faster-moving, and more effective sales operation."

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Published by THE CONFERENCE BOARD
460 Park Avenue, New York 22, N. Y.
Canadian Office 505 Dorchester Boulevard West, Montreal 1

PRINTED IN U.S.A.

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WORLD HEADQUARTERS

JUN 22 10 08 AM 1961

DEPT. OF STATISTICS
AND ECONOMICS
BUSINESS RESEARCH

NATIONAL INDUSTRIAL CONFERENCE BOARD, INC.
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